

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1.9
EC 752 F

5 TA/STA



United States
Department of
Agriculture

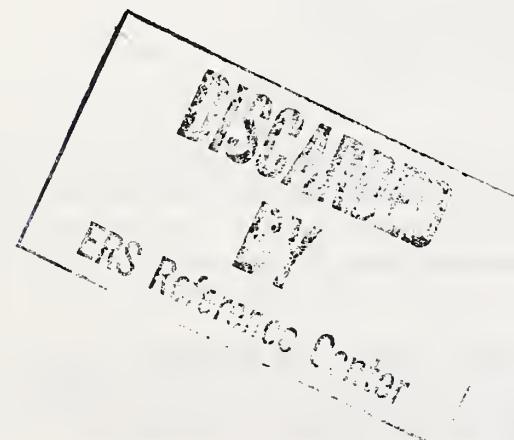
Economic
Research
Service

TS-185

September 1983

Tobacco

OUTLOOK & SITUATION



Contents

	Page
Tobacco Products	2
U.S. Exports and Imports	5
U.S. Tobacco Leaf Situation and Outlook	8
Special Article	
Costs of Producing and Selling Flue-cured Tobacco: 1981, Preliminary 1982 and Projected 1983	26
Statistical Summary	28
List of Tables	30
Outlook Conference, October 31 -November 3	

Principal contributor:

Verner N. Grise
202-447-8776

Statistical Assistant:

Laverne Creek
202-447-8776

National Economics Division
Economic Research Service
U.S. Department of Agriculture
Washington, D.C. 20250

The next summary of the **Tobacco Outlook and Situation** is scheduled for release on December 15. It will appear on the AGNET computer system by 3:30 ET the same day. The full text and tables will be added to AGNET approximately 2 business days later. For more information on AGNET, call (402) 472-1892.

The **Tobacco Outlook and Situation** is published in March, June, September, and December. Annual subscription: \$8 U.S., \$10 foreign. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. Make checks payable to the Superintendent of Documents.

Current subscribers will receive renewal notices from the Government Printing Office approximately 90 days before their subscriptions expire. Notices will be sent ONLY ONCE and should be returned promptly to ensure uninterrupted service.

Approved by The World Agricultural Outlook Board. Summary released September 14, 1983.

Summary

Production Down Sharply; Supply Remains Large

U.S. tobacco output in 1983 may be down 31 percent from last year. Based on conditions around September 1, production is placed at 1.36 billion pounds (618,000 metric tons), reflecting both smaller acreage and lower yields. The continued dry weather during July and August reduced the crop's quality as well.

Supply for 1983/84, however, may drop only about 4 percent. This is because estimated ending stocks going into the new marketing year are 3.82 billion pounds (1.73 million metric tons), about 7 percent higher than a year earlier. (The crop year begins on July 1 for flue-cured and cigar-wrapper types, and on October 1 for all others.) The 1983/84 supply is forecast at 5.25 billion pounds (2.38 million metric tons), with most types showing a decline.

Prospects for use of world tobacco indicate relatively small increases in sales of cigarettes and unmanufactured tobacco, and use of U.S. tobacco may fall from last year's 1.63 billion pounds (741,000 metric tons). Exports are dampened by the smaller crop and reduced quality, and further discouraged by the strong dollar, larger world supplies, and already high prices for U.S. tobacco. For the year ending June 30, 1984, exports may be below last year's 526 million pounds (635 million, farm sales weight).

U.S. cigarette output this year is expected to decline from the 694 billion produced in 1982. Increased excise taxes and higher wholesale prices may cause cigarette consumption to fall about 3 percent in 1983, and lower the smoking rate per person (18 years and older) from 1982's rate of 3,746 cigarettes.

Based on available data, the 1983 flue-cured crop is expected to total 800 million pounds (363,000 metric tons), down 21 percent from last year and the lowest since 1943. Nevertheless, total supply is 3.04 billion pounds (1.38 million metric tons), about 3 percent below last year, and remains ample at about 3.25 years' use. June 30 ending stocks were up 3 percent. During 1982/83 both exports and domestic use declined. This season's use may decline further from last year's 935 million pounds, but the short crop is likely to reduce the carryover about 3 percent.

Flue-cured sales began on July 27. By September 8, growers had marketed about half of their crop, with 20 percent of the marketings going under loan. So far, weaker domestic and export demand combined with unchanged price supports, have kept prices lower than at the same date a year ago. Sales through September 8 averaged \$1.73 a pound, about 1 percent below the previous year. With sharply lower production, cash receipts will decline from last year, and net receipts will decline even more, because of much higher production costs per pound.

This year's burley crop is expected to decline sharply from 1982's record large outturn. However, ending stocks on September 30 are projected to be 17 percent higher than last year. The 1983/84 supply will be about 6 percent lower than this year's, representing 3.0 years' use, and again will provide adequate stocks. Smaller crops are also forecast for Maryland, fire-cured, dark air-cured, and cigar tobaccos.

Legislation signed on July 25 froze 1983 tobacco price supports at their 1982 levels, and increased from 5 to 10 percent the amount that burley poundage quotas could be cut in any one year. Also, under the legislation, the Secretary of Agriculture must determine if burley tobacco imports are interfering with the domestic support program when certain trigger points are reached.

The national marketing quota for the 1984 flue-cured crop must be announced by December 1. Individual farm quotas and allotments will reflect undermarketings and overmarketings in the current crop. For burley and other kinds of tobacco, marketing quotas will be announced by February 1, 1984. The basic formula for tobacco price supports would result in a 5-percent rise from 1983. However, the Secretary of Agriculture, under the No-Net-Cost Tobacco Program Act of 1982, could hold the increase to about 3.2 percent. Moreover, legislation is pending that would freeze 1984 supports at 1982 and 1983 levels.

TOBACCO PRODUCTS

Cigarette Consumption Likely To Drop

U.S. cigarette smoking in 1983 will decline for the second consecutive year. Higher Federal and State excise taxes contribute most to the decline. Continued antismoking activity may also be responsible (table 1).

Americans smoked an estimated 307 billion cigarettes in the first half of 1983, about 14 billion fewer than a year

earlier. Second-half use may fall below the 313 billion smoked during July-December 1982; however, the drop is expected to be smaller than the first-half decline because of the improving economy and slower hikes in cigarette prices. Low-tar, low-nicotine cigarettes (containing 15 milligrams of tar or less) account for over half of total sales. Total consumption in 1983 may decline about 3 percent. Consumption per capita (18 and older) this year is estimated at 180 packs (3,593 cigarettes), a 4-percent drop from last year (table 2), and the lowest since 1954. During the first 6 months of 1983, cigarette exports

Table 1.—Cigarettes: U.S. output, removals, and consumption, 1974-83

Year	Output	Taxable	Removals				Estimated inventory increase	Total U.S. consump- tion ³
			Total	Exports	Shipments ¹	Overseas forces ²		
<i>Billions</i>								
1974	635.0	576.2	59.2	46.9	1.9	10.4	-12.1	599.0
1975	651.2	588.3	62.3	50.2	1.5	10.6	-7.7	607.2
1976	693.4	617.9	72.1	61.4	1.9	8.8	13.5	613.5
1977	665.9	592.0	78.1	66.8	1.1	10.2	-14.4	617.0
1978	695.9	614.2	85.1	74.4	1.2	9.6	8.2	616.0
1979	704.4	614.0	93.8	79.7	1.1	13.0	5.7	621.5
1980	714.1	620.5	94.2	82.0	.9	11.3	2.3	631.5
1981	736.5	638.1	92.0	82.6	.8	8.6	8.0	640.0
1982 ⁴	694.2	614.1	82.1	73.6	.8	7.7	-10.8	634.0
1983 ⁵	685.0	608.0	71.0	62.0	.8	8.2	0.7	617.0
<i>Year ending June 30 —</i>								
1974	652.0	594.9	59.1	44.9	2.0	12.2	12.2	595.0
1975	626.8	570.3	57.4	46.6	1.7	9.1	-21.7	601.0
1976	688.2	619.1	69.8	58.2	1.9	9.6	14.0	615.0
1977	671.7	596.3	74.1	62.8	1.3	10.0	-9.7	616.5
1978	685.4	609.6	81.5	69.4	1.0	11.1	3.0	618.0
1979	707.0	615.2	92.2	78.8	1.2	12.2	12.1	616.0
1980	697.0	605.8	93.2	82.9	1.0	9.3	-7.2	622.0
1981	727.8	631.4	92.0	83.0	.9	10.1	5.9	637.0
1982	721.5	632.3	86.8	78.8	.8	7.2	5.1	635.7
1983 ⁴	678.4	600.0	75.3	65.5	.8	9.0	-9.5	620.0

¹To Puerto Rico and other U.S. possessions. ²Includes ship stores and small tax-exempt categories. ³Taxable removals, overseas forces, inventory change and imports (negligible). ⁴Subject to revision. ⁵Estimated.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

Table 2.—Per capita consumption of tobacco products in the United States (including overseas forces), 1974-83

Year	Per capita 18 years and over				Per male 18 years and over		
	Cigarettes ¹	Snuff ²	All tobacco products ¹	Large cigars & cigarillos	Smoking tobacco ²	Chewing tobacco	
	Number	Pounds	Pounds	Pounds	Number	Pounds	Pounds
1974	4,141	7.90	(3)	(3)	91.9	1.47	.87
1975	4,123	7.73	(3)	(3)	82.4	1.32	.76
1976	4,092	7.35	(3)	(3)	75.0	1.20	.75
1977	4,051	7.21	(3)	(3)	67.9	1.13	.65
1978	3,967	6.89	(3)	(3)	63.4	1.05	.60
1979	3,861	7.00	(3)	(3)	56.0	.92	.50
1980	3,851	6.79	(3)	(3)	51.1	.84	.48
1981 ⁴	3,840	6.53	.25	7.60	48.9	.81	.46
1982 ⁴	3,746	6.48	.26	7.48	45.3	.74	.42
1983 ⁵	3,593	6.22	.27	7.20	41.9	.69	.41

¹Unstemmed processing weight. ²Finished product weight. ³New product classifications became effective January 1, 1982. Revisions for 1980 and prior years not available. ⁴Subject to revision. ⁵Estimated. Data prior to 1979 do not include results of 1980 census.

declined 21 percent (table 3); shipments to Europe, Asia, and Africa all declined. Considering both domestic and foreign sales prospects for the rest of the year, cigarette production for 1983 will likely drop.

Retail prices were 22 percent higher in June than a year earlier (table 4), with manufacturers raising wholesale prices in January 1983 and again in June. Since August 1982, wholesale prices have risen about 25 percent.

Eleven States have raised cigarette excise taxes an average of about 4½ cents a pack so far this year, and one State has added a 1-cent surcharge per pack. Five States also removed sunset provisions of previous excise increases. The weighted average State tax on cigarettes was 14.8 cents a pack in mid-1983, ranging from 2 cents a pack in North Carolina to 25 cents in Wisconsin. In mid-July, Massachusetts raised its tax to 26 cents a pack, and on August 1, Connecticut hiked its tax to 26 cents a pack. Many cities and other local governments also tax cigarettes. The Federal excise tax was doubled to 16 cents per pack effective January 1, 1983. Under current law, it will revert to 8 cents a pack October 1, 1985.

The Senate Labor and Human Resources Committee approved a measure (S.772) that would require a stronger health warning on cigarette packages. The label would read, "Warning: Cigarette smoking causes cancer, emphysema, heart disease, may complicate pregnancy, and is addictive." A slightly different version of the measure is being considered by the House Commerce Committee's Health and Environment Subcommittee.

Cigar Consumption Continues Downward Trend

Total consumption of large cigars (including cigarillos) will likely fall from last year's 3.7 billion. This expected decrease continues the trend of the last 13 years (table 6).

This year's average for cigars being smoked by males 18 and over is about 8 percent less than 1982's average of 45 cigars. Midyear wholesale prices averaged 2 percent above a year ago. Taxable removals (domestic consumption of cigars by revenue class) through June showed gains in medium-priced categories and declines in high- and low-priced groups.

According to the annual survey by the Cigar Association of America, sales of cigarillos totaled 1.27 billion in 1982, down 9 percent from a year earlier. Cigarillos weigh between 3 and 10 pounds per 1,000--less than half the weight of traditional cigars. Last year, cigarillo sales (based on taxable removals) were 35 percent of the total sales of large cigars and cigarillos, 1 percent below 1981. The cigarillo share reached a high of 38 percent in 1971.

For 1983, output of little cigars (weighing 3 pounds or less per 1,000) may fall 1 percent below last year's 1.3 billion. Output has declined each year since 1972.

Smoking tobacco used in pipes and for roll-your-own cigarettes may fall a little below last year's 34 million pounds (table 6), continuing the last decade's downtrend. In the first half of 1983, domestic use including imports totaled 17 million pounds—1 percent below a year earlier. By midyear, wholesale prices averaged 8 percent above a year ago.

Table 3.—U.S. cigarette exports to leading destinations, 1982-83

Country	July 1982	January-July	
	June 1983	1982	1983 ¹
Billions			
Belgium-Luxembourg	14.2	10.0	7.9
Hong Kong	6.8	4.4	3.6
United Arab Emirates	1.1	.4	.9
Netherlands Antilles	2.2	2.2	.9
Saudi Arabia	5.6	2.7	3.1
Japan	4.8	2.6	2.9
Kuwait	1.6	.7	.9
Spain	.9	.7	.5
Canary Islands	.5	.4	.3
Columbia	1.0	1.1	.5
Other	26.8	18.2	14.0
Total	65.5	43.4	35.5

¹Subject to revision.

Complied from publications and records of the Bureau of the Census.

Table 4.—Tobacco demand factors, 1973-83*

Year	Population July 1 ¹	Disposable personal income, per capita ²		Consumer price indexes ³					Cigars, regular size						
		Current prices	1972 prices	All Items	Tobacco products	Cigarettes									
						Nonfilter tip regular	Filter tip, king size								
Million															
Dollars															
1967=100															
1973	142.2	4,346	4,112	133.1	137.0	138.7	139.1		112.9						
1974	144.7	4,710	4,050	147.7	143.8	145.5	145.9		119.5						
1975	147.3	5,132	4,099	161.2	153.9	156.0	156.5		124.2						
1976	150.5	5,550	4,217	170.5	160.5	162.7	163.2		129.9						
1977	152.6	6,046	4,334	181.5	168.0	170.6	171.0		135.0						
1978	155.3	6,688	4,486	195.4	177.3	—	179.8		4103.9						
1979	161.0	7,293	4,493	217.5	187.9	—	189.7		4110.6						
1980	164.0	8,032	4,487	246.8	202.6	—	205.2		4120.0						
1981	166.7	8,906	4,587	272.4	218.9	—	221.4		4131.2						
1982 ⁵	169.3	9,377	4,567	289.0	243.4	—	247.1		4140.8						
1983 ⁶	171.7	9,850	4,620	298.0	295.0	—	300.0		4150.0						

¹18 years and older including forces overseas. ²Based on total population. ³All urban consumers, 1978-82; urban wage earners and clerical workers, 1973-77. ⁴Other tobacco products and smoking accessories, December 1977=100. ⁵Subject to revision. ⁶Estimated. *Data prior to 1979 do not include results of 1980 census.

Table 5.—Wholesale cigarette price revisions, 1977-83¹

Approximate date of change ³	Net price per 1,000				Net price per 1,000 excluding Federal excise tax ²			
	Standard	King size	Filter tips	100 millimeter	Standard	King size	Filter tips	100 millimeter
<i>Dollars</i>								
August 1977	14.35	14.35	14.35	14.85	10.35	10.35	10.35	10.85
June 1978	15.20	15.20	15.20	15.70	11.20	11.20	11.20	11.70
Dec. 1978	15.75	15.75	15.75	16.25	11.75	11.75	11.75	12.25
June-July 1979	16.30	16.30	16.30	16.80	12.30	12.30	12.30	12.80
Jan. 1980	17.05	17.05	17.05	17.55	13.05	13.05	13.05	13.55
May 1980	17.65	17.65	17.65	18.15	13.65	13.65	13.65	14.15
November 1980	18.50	18.50	18.50	19.00	14.50	14.50	14.50	15.00
April 1981	19.35	19.35	19.35	19.85	15.35	15.35	15.35	15.85
September 1981	20.20	20.20	20.20	20.70	16.20	16.20	16.20	16.70
February 1982	21.20	21.20	21.20	21.70	17.20	17.20	17.20	17.70
Aug.-Sept. 1982 ⁴	22.70	23.70	22.70	23.70	18.70	19.70	18.70	19.70
October 1982 ⁴	24.20	25.20	24.20	25.20	20.20	21.20	20.20	21.20
November 1982 ⁴	25.20	26.20	25.20	26.20	21.20	22.20	21.20	22.20
January 1983 ⁵	26.90	27.90	26.90	27.90	18.90	19.90	18.90	19.90
June 1983	28.40	29.40	28.40	29.40	20.40	21.40	20.40	21.40

¹Includes leading brands. A 3-percent discount is made for payment within 10 days or 2 percent within 14 days. ²Effective January 1, 1983, the Federal excise tax doubled to \$8.00 per 1,000 cigarettes. ³For 1940-74, see TS-151, March 1975; for 1974-76, see TS-177, September 1981.

⁴Manufacturers increased prices by a different amount. The change shown represents a major manufacturer whose prices are between the highest and lowest. ⁵The January price increase brought major manufacturers' prices in line.

Table 6.—Cigars and smoking tobacco: Output, removals, and consumption, 1980-83

Year and item	United States factories			From Puerto Rico, taxable	Imports	Exports	Total U.S. consumption ¹				
	Output	Removals									
		Taxable	Tax-exempt								
<i>Millions</i>											
Large cigars and cigarillos											
1980	3,454	3,291	201	590	119	200	4,001				
1981	3,428	3,256	160	534	124	181	3,893				
1982	3,195	3,056	158	500	126	181	3,659				
1983 ²	2,970	2,915	140	390	120	125	3,440				
<i>Year ending June 30</i>											
1980	3,411	3,300	188	667	106	190	4,071				
1981	3,506	3,289	187	558	133	200	3,967				
1982	3,463	3,142	170	542	107	180	3,781				
1983 ³	2,911	3,002	144	420	132	138	3,560				
<i>Million pounds</i>											
Smoking tobacco											
1980	32.2	30.6	.8	—	6.7	.8	37.3				
1981	30.3	30.0	.8	—	6.6	.9	36.5				
1982	28.3	27.8	.7	—	6.1	1.0	33.6				
1983 ²	28.5	27.5	.7	—	6.2	1.0	33.4				
<i>Year ending June 30</i>											
1980	31.7	31.2	.9	—	5.0	.8	36.2				
1981	31.3	30.2	.8	—	5.5	.9	35.7				
1982	29.3	29.1	.8	—	6.6	1.0	35.5				
1983 ³	29.1	27.7	.6	—	6.2	1.0	33.5				

¹Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. ²Estimated. ³Subject to revision.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and AMS, USDA.

Table 7.—Tobacco products: Output by category, 1974-83

Period	Chewing tobacco						Small cigars ²	Smoking tobacco in bulk (exports)
	Plug- firm	Plug- moist	Twist	Loose leaf	Total ¹	Snuff- dry	Snuff- moist	
<i>Million pounds</i>								
1974	(3)	(3)	2.2	52.9	(3)	(3)	(3)	3,101
1975	(3)	(3)	2.2	53.7	(3)	(3)	(3)	2,942
1976	(3)	(3)	2.3	56.3	(3)	(3)	(3)	2,246
1977	(3)	(3)	2.2	61.3	(3)	(3)	(3)	1,864
1978	(3)	(3)	2.1	64.6	(3)	(3)	(3)	1,645
1979	(3)	(3)	2.0	71.7	(3)	(3)	(3)	1,544
1980	(3)	(3)	2.0	75.5	(3)	(3)	(3)	1,440
1981	11.4	6.5	1.8	70.3	90.0	11.7	30.7	1,393
1982	10.5	5.2	1.7	73.0	90.4	10.3	33.5	1,294
1983 ⁴	9.2	4.7	1.7	74.0	89.6	9.5	36.5	1,285
<i>Year ending June 30</i>								
1974	(3)	(3)	2.1	48.1	(3)	(3)	(3)	3,428
1975	(3)	(3)	2.2	54.6	(3)	(3)	(3)	3,158
1976	(3)	(3)	2.3	56.7	(3)	(3)	(3)	2,513
1977	(3)	(3)	2.3	58.5	(3)	(3)	(3)	2,055
1978	(3)	(3)	2.1	62.8	(3)	(3)	(3)	1,846
1979	(3)	(3)	2.1	66.7	(3)	(3)	(3)	1,459
1980	(3)	(3)	1.9	74.5	(3)	(3)	(3)	1,501
1981	(3)	(3)	1.8	69.7	(3)	(3)	(3)	1,452
1982	10.7	5.3	1.8	72.8	90.6	8.9	32.4	1,319
1983 ⁵	9.9	4.8	1.7	73.6	90.0	9.7	35.0	1,289

¹Detail may not add to total due to rounding. ²Weigh not more than 3 pounds per thousand. ³New product classifications became effective January 1, 1982. Revisions for 1980 and prior years are not available. ⁴Estimated. ⁵Subject to revision.

Smokeless Tobacco Output Mixed

Chewing tobacco production in 1983 is expected to fall from the 90.4 million pounds produced in 1982. Output of loose leaf chewing tobacco is rising, but plug production is down. Total snuff production is up a little from a year ago because moist snuff production is up more than dry output is down.

U.S. EXPORTS AND IMPORTS

U.S. Leaf Exports Dropped in First Half of 1983

U.S. exports of unmanufactured tobacco during January-June were 17 percent below last year. Declines occurred in the two major categories, flue-cured and burley (table 8). Weak demand for last season's tobacco crop dropped 1982/83 (July-June) U.S. unmanufactured exports 10 percent, to 527 million pounds (635 million, farm sales weight). Total value of unmanufactured exports fell to \$1.44 billion—7 percent below a year earlier. The short 1983 flue-cured and burley crops, together with large supplies worldwide, the strong dollar, and reduced cigarette consumption in a number of countries, will likely result in a further decline in 1983/84 U.S. leaf exports.

World cigarette trade remained about the same in 1982 as in the year before. An 11-percent drop in shipments from the United States was offset by increased exports from the United Kingdom, Bulgaria, West Germany, and the Netherlands. Together, these five countries account for three-fourths of total worldwide exports. The Soviet Union, France, Italy, and the Netherlands are important cigarette importing countries.

Excluding China, world cigarette production declined 0.6 percent last year, compared with a 1.7-percent increase in 1981; including China, production rose 0.3 percent in 1982. The stagnation in world cigarette output resulted from price and tax increases, antismoking campaigns, and the depressed world economy. Also, leaf use per cigarette has been declining, with the increased use of filters being a factor. Filter cigarettes accounted for 98 percent of the total output in Japan, 94 percent in the United Kingdom, and 89 percent in West Germany.

High prices are dampening cigarette consumption in several developed countries, particularly in the United Kingdom and West Germany, where large increases in excise duties have occurred. In 1982, the United Kingdom's cigarette output declined 3 percent, and domestic cigarette sales fell 8 percent. West Germany's cigarette production fell 11 percent. Cigarette consumption declined sharply in West Germany in the second half of 1982 after a 32-percent excise tax was imposed at midyear.

In the largest producing and consuming country, the People's Republic of China, cigarette output rose 4 percent in 1982. China went from a shortage of cigarettes in early 1981 to large unsold inventories in early 1983. The shortage of tobacco for cigarettes had occurred because prices to growers had been raised in 1979 for other farm products but not for tobacco. A 1981 response to the tobacco shortage was to hike prices a fifth, with bonuses given for high-quality leaf. Large production hikes occurred in both 1981 and 1982, thus, creating the current cigarette surplus.

This year, Zimbabwe, one of the United States's key competitors, produced a large crop of tobacco, much of which will be exported. Despite lower average quality, the Zim-

**Table 8.—United States exports of unmanufactured tobacco by type and to principal importing countries 1980-83
(Declared weight)**

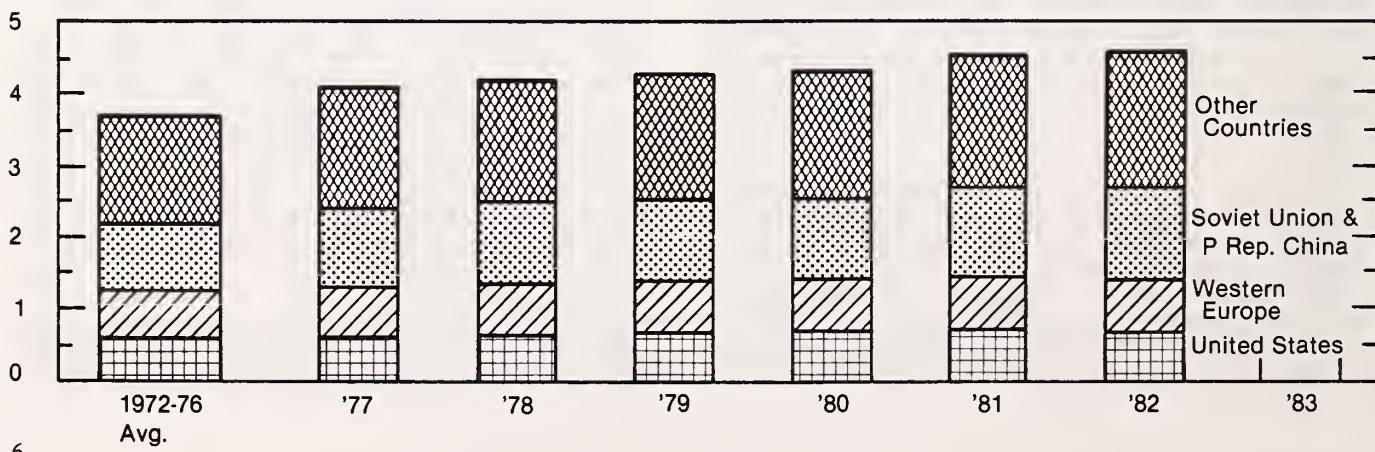
Type and country	Year ending June 30				January-July		1983 as a percentage of 1982
	1980	1981	1982	1983 ¹	1982	1983 ¹	
<i>Million pounds</i>							
Type:							Percent
Flue cured	398.5	361.0	369.0	320.9	155.0	128.3	83
Burley	98.6	72.5	103.4	85.8	82.4	66.4	81
Maryland	6.1	5.2	8.1	6.6	3.5	4.1	117
Fire-cured, Ky, and Tenn.	15.5	16.3	13.6	21.4	7.6	9.8	129
Virginia fire and sun-cured	2.9	2.5	2.1	1.9	1.4	.4	29
Green River and One Sucker	.2	.1	.1	.2	.1	.1	100
Black Fat	2.7	3.2	3.2	.8	2.1	.6	29
Cigar wrapper	4.8	3.5	1.4	.9	.6	.4	67
Cigar binder	.1	.2	.1	.1	*	.1	—
Cigar filler	.1	.6	.2	.2	.1	.1	100
Perique	.1	.1	.1	.3	*	.2	—
Stems, trimmings and scrap	81.4	80.3	79.2	75.8	37.1	36.8	99
Other, unmanufactured, NEC ²	6.4	7.8	8.9	11.6	4.5	6.9	151
Total	617.4	553.4	584.9	526.5	294.4	254.2	86
Country of destination							
United Kingdom	43.2	43.1	35.1	28.7	14.2	10.8	76
France	4.8	6.3	4.6	7.0	2.7	4.2	156
Belgium-Luxembourg	8.5	8.2	8.8	17.1	5.0	5.9	118
Netherlands	45.1	33.7	27.7	24.7	14.8	16.4	111
West Germany	96.7	82.7	75.9	64.7	37.4	33.7	90
Denmark	20.9	11.1	14.1	20.3	7.9	11.3	143
Ireland	4.9	3.3	6.0	2.7	3.7	1.8	49
Italy	30.3	27.3	28.2	34.5	26.4	31.5	119
Total EC	254.4	215.7	200.4	199.7	112.4	115.6	103
Switzerland	24.7	16.7	23.4	25.0	11.5	8.1	70
Finland	9.3	9.2	8.6	5.9	3.8	3.5	92
Norway	6.8	4.3	4.3	4.3	1.5	2.5	167
Sweden	15.4	14.9	7.9	9.5	1.6	2.4	150
Spain	15.6	31.6	32.7	33.8	17.3	22.0	127
Thailand	22.6	18.4	27.7	9.1	27.7	9.1	33
Korea, Rep of	29.7	*	11.8	*	1.1	*	0
Malaysia	7.2	7.5	8.6	7.9	4.9	2.2	45
Philippines	13.6	11.4	11.6	13.2	8.4	6.5	77
Taiwan	29.7	13.3	22.0	18.8	2.5	*	0
Japan	78.2	108.9	114.3	112.2	24.1	25.9	107
Australia	14.2	13.1	11.4	9.8	4.9	4.2	86
New Zealand	4.2	3.0	4.0	2.8	2.3	.9	39
Egypt	38.5	14.2	18.7	9.7	18.5	13.2	71
Other countries	53.3	71.2	77.5	64.8	51.9	38.1	73
Total	617.4	553.4	584.9	526.5	294.4	254.2	86

¹Subject to revision. ²New classification, January 1, 1978. Previously included in manufactured in bulk. *Less than 50,000 pounds.

Detail may not add to total due to rounding. Complied from publications and records.

World Cigarette Output

Trillion pieces



babwean crop appeals to several importers. The Zimbabwean dollar was depreciated 20 percent in November 1982, which will put Zimbabwean tobacco in a more favorable competitive position on the world market. Leading markets for Zimbabwe's tobacco include Western Europe, the Middle East, and Far East.

The total value of exports of U.S. tobacco leaf and products declined to \$2.65 billion in 1982/83, 7 percent below the 1981/82 record high. With lower prices and volume, the value will likely decline again in 1983/84.

Table 9.—U.S. imports of unmanufactured tobacco for consumption and general, principal categories, and countries of origin, 1982/83, and January-July 1982/83¹ (declared weight)

	Imports for consumption				General imports (arrivals)			
	Year	January-July		1983 as a percentage of 1982	Year	January-July		1983 as a percentage of 1982
		July 1982	June 1983			1982	1983	
	Million pounds			Percent	Million pounds			Percent
Cigarette tobacco								
Leaf								
Oriental								
Turkey	108.2	56.9	68.3	120	123.6	100.8	96.5	96
Greece	25.6	14.1	16.1	114	20.4	28.5	22.2	78
Yugoslavia	8.9	6.2	5.3	85	15.8	9.9	14.7	148
Other countries	36.7	17.8	9.5	53	29.2	15.8	17.0	107
Flue-cured	12.6	3.0	6.9	230	15.8	8.1	7.7	95
Burley	10.5	4.5	7.3	162	31.6	16.6	20.6	124
Other	1.6	1.1	.7	64	1.3	.7	.6	85
Subtotal	204.1	103.6	114.1	110	237.7	181.0	179.3	99
Mfd. or not manufactured, NSPF, other								
Brazil	50.3	18.3	34.4	188	63.4	40.2	37.0	92
Korea, Republic of	20.1	7.9	13.4	170	14.7	12.7	10.6	83
Mexico	7.8	2.3	4.5	196	5.6	•	1.5	•
Other	56.2	19.7	27.2	138	63.9	30.8	25.2	82
Subtotal	134.4	48.2	79.5	165	147.6	83.7	74.3	89
Scrap 2/								
Brazil	1.3	.8	.9	113	.7	.3	.5	167
Korea, Republic of	•	•	•	•	.3	.3	•	•
Italy	•	•	•	•	.3	.5	.2	40
Mexico	.4	•	•	•	.2	0	0	0
Turkey	6.0	5.3	2.9	55	13.4	8.1	6.8	84
Other countries	7.9	4.7	2.9	62	5.4	3.4	2.1	62
Subtotal	15.7	11.1	6.7	60	20.3	12.1	9.6	79
Total	354.2	162.9	200.3	123	405.6	264.7	263.2	99
Cigar tobacco								
Wrapper	2.0	1.0	1.2	120	3.4	1.0	2.0	200
Filler-stemmed and unstemmed								
Dominican Republic	1.0	.7	.6	86	3.4	4.6	2.5	54
Other countries	2.6	1.1	1.1	100	15.5	7.0	9.4	134
Subtotal	3.6	1.8	1.7	94	22.3	11.6	11.9	103
Scrap								
Philippine Republic	5.8	5.0	2.7	54	5.4	2.7	2.5	93
Indonesia	6.4	3.1	3.4	110	5.7	2.8	1.1	39
Dominican Republic	4.3	3.3	2.4	73	1.8	1.0	1.3	130
Brazil	3.6	2.0	1.4	70	2.6	.5	2.1	420
Other countries	17.7	9.4	10.6	113	17.9	7.2	9.7	134
Subtotal	37.8	22.8	20.5	90	32.4	14.2	16.7	118
Total	43.4	25.6	23.4	91	54.7	26.8	30.6	114
Stems	36.4	17.9	18.4	103	38.9	26.8	17.9	67
GRAND TOTAL	434.0	206.4	242.1	117	499.2	318.3	311.7	98

¹Preliminary. ²Includes minor quantities for smoking tobacco, chewing tobacco, and snuff. Detail may not add to total due to rounding.

Table 10.—Imported foreign-grown cigarette leaf stocks, by quarters, 1974-83¹

Year	Jan. 1	April 1	July 1	Oct. 1	Jan. 1	April 1	July 1	Oct. 1
<i>Million pounds</i>								
	Foreign-grown flue-cured				Foreign-grown oriental and aromatic			
1974	38	44	47	54	355	374	383	350
1975	53	49	70	70	377	412	415	380
1976	74	73	72	101	361	431	416	405
1977	100	102	109	117	397	365	362	347
1978	117	120	130	132	344	364	345	295
1979	132	133	147	157	326	359	366	350
1980	153	148	166	166	343	342	367	336
1981	152	140	161	167	316	332	324	320
1982	152	141	200	222	337	395	403	367
1983	177	207	213		366	408	422	
	Foreign-grown burley				Total imported cigarette leaf			
1974	49	59	67	88	442	477	497	493
1975	118	107	145	136	548	567	623	587
1976	134	124	132	141	568	628	619	646
1977	139	132	127	138	637	599	598	602
1978	140	136	150	174	601	619	625	601
1979	172	163	171	188	630	655	684	696
1980	187	192	213	216	683	684	746	719
1981	208	211	244	265	676	684	729	752
1982	272	263	271	290	760	799	874	879
1983	282	286	271		856	902	906	

¹Farm sales weight.

Tobacco Imports Rise

U.S. unmanufactured tobacco imports for consumption were 207 million pounds during January-June 1983, 14 percent higher than a year earlier (table 9). The increase resulted from lower prices of tobacco outside the United States.

Both U.S. cigar and cigarette manufacturers use imported tobaccos in their blends. For the year ending June 30, U.S. cigarettes contained about 30 percent imported tobacco; cigars, nearly 60 percent. U.S. imports of cigarette leaf during January-June were valued at \$1.56 a pound, excluding ocean freight and duty. For most imports of cigarette leaf, duty is 11.5 cents a pound; yet, most imports still cost considerably less than domestic filler. This is partly because in Oriental tobacco—the bulk of cigarette leaf imports—the entire leaf is usable without stemming.

Mechanically Threshed or Shredded Cigarette Tobacco Reclassified by U.S. Customs Service

Last July 12, the Customs Service announced that imported cigarette tobacco that has been mechanically threshed or shredded will be reclassified as stemmed cigarette leaf—tariff schedule of the United States (TSUS) item 170.3500. In 1980, Customs classified this tobacco as “tobacco not specifically provided for” under TSUS 170.8045. Before 1980, threshed or shredded tobacco was classified as “scrap,” dutiable at 16.1 cents per pound. The change, effective August 28, 1983, raises the duty from 17.5 cents to 32 cents per pound, and will apply to all merchandise entered for consumption or withdrawn from warehouses for consumption on or after that date.

Imports of smoking tobacco in bulk also enter under item 170.8045. It appears likely, therefore, that the end use

of this tobacco will have to be determined at the time of its entry to determine its tariff status, which was not specified in the July decision to change classifications.

Under provisions of customs laws, an importer can obtain refunds or drawbacks on tariff payments. The “drawback” permits companies that export as much tobacco as they import to obtain about a 99-percent tariff refund.

Caribbean Basin Initiative Becomes Law

The Caribbean Basin Initiative (CBI) was signed into law in early August. CBI grants 12 years of duty-free treatment to several articles, including tobacco imported from specified countries. The act covers 27 nations in Central America, the Caribbean, and the northern shore of South America.

Caribbean Basin countries produced about 150 million pounds of tobacco in 1982—about 15 million pounds of flue-cured and 33 million pounds of burley. Much of the output is exported. The United States imports about 30 million pounds a year from Caribbean Basin countries. The total includes 12 to 15 million pounds of burley, but little flue-cured.

U.S. TOBACCO LEAF SITUATION AND OUTLOOK¹

During this past marketing year, about 63 percent of the U.S. tobacco used was for domestic manufacture and about 37 percent went into export. Disappearance of U.S. leaf fell to 1.63 billion pounds. For 1983, effective farm quotas are lower for both flue-cured and burley tobacco. Acreage declined, resulting in a production fore-

¹All quantities in this section are stated in farm-sales weight equivalent, unless otherwise noted.

**Table 11.—U.S. Imports of unmanufactured and other tobacco:
Quantity and average value by kinds 1982/83**

Kind	Year ending June 30, 1983	Quantity	Change from 1981/82	Value per pound Year ending June 30, 1983
		Million pounds		
Imports for consumption				
Cigarette ¹				
Flue-cured leaf	12.6		+63.6	1.23
Burley leaf	10.5		+388.9	1.15
Other leaf (oriental)	181.0		-0.4	1.53
Scrap	15.7		+18.5	.54
Manufactured or not mfd., NSPF	134.4		+40.2	1.51
Cigar				
Leaf	5.6		+5.0	3.30
Scrap	37.8		-7.0	.83
Stems		36.4	+4.1	.19
Total		434.0	+11.8	1.32
General Imports				
Cigarette ¹				
Flue-cured leaf	15.8		+23.5	1.19
Burley leaf	31.6		+29.8	1.01
Other leaf (oriental)	190.5		-23.6	1.70
Scrap	20.2		+21.0	.42
Manufactured or not mfd., NSPF	147.6		+0.3	1.60
Cigar				
Leaf	22.2		-4.0	1.79
Scrap	32.4		-9.5	.62
Stems		38.9	-13.1	.17
Total		499.2	-9.9	1.37

¹Includes minor quantities for smoking tobacco, chewing tobacco and snuff.

Compiled from publications and records of the Bureau of the Census.

Table 12.—All tobacco: Acreage, yield and production, United States, 1965-83

Year	Acreage harvested	Yield per acre	Production
	Thousand acres	Pounds	Million pounds
Average			
1965-69	942	1,958	1,845
1970-74	886	2,053	1,819
1975	1,086	2,008	2,182
1976	1,047	2,041	2,137
1977	966	1,982	1,914
1978	964	2,101	2,025
1979	827	1,845	1,527
1980	921	1,940	1,786
1981	976	2,114	2,062
1982	908	2,183	1,982
1983 ¹	798	1,709	1,363

¹Indicated September 1, 1983.

cast of 1.36 billion pounds (September estimate). As a result of weather-related yield reductions, this is 31 percent lower than last year, and 30 percent below the average for 1973-82 (table 13). Disappearance is expected to exceed production, so the large stocks will be pulled down in 1983/84.

Legislation Freezes All 1983 Price Supports and Provides for Other Changes in Burley Program

Legislation was signed on July 25, 1983, that freezes 1983 tobacco price supports at their 1982 levels. The legislation also included two provisions dealing only with burley tobacco. These are:

- The Secretary of Agriculture can reduce burley quotas by as much as 10 percent in any one year, if necessary, to control overproduction. Previously, the maximum reduction permitted was 5 percent.
- The Secretary of Agriculture is directed to determine whether imports are interfering with the U.S. price-support and production-control program if the support level is frozen or increased by less than 65 percent of the amount estimated under the current formula. Also, a study would be required if stocks of burley tobacco under loan exceeded 20 percent of the marketing quota. If the study indicated interference, corrective action would be recommended to the President.

Both the House and Senate Agriculture Committees have approved bills (H.R.1440 and S.1529) that would make more extensive changes in the tobacco price-support and production-control program than does the legislation

Table 13.—U.S. tobacco allotments, by kinds of tobacco, 1983

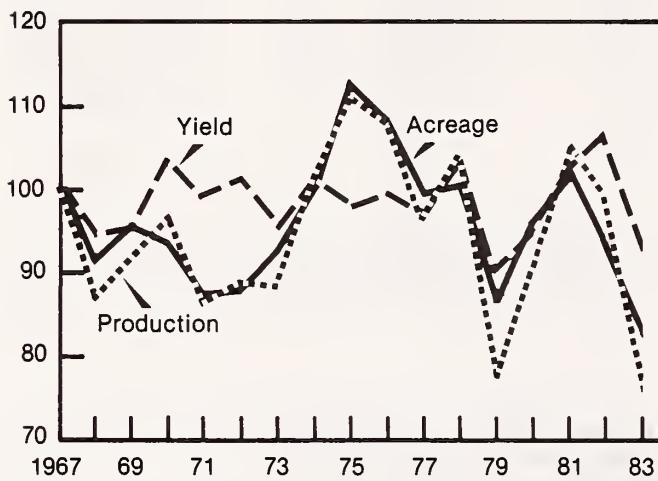
Kinds	Allotments	Acreage allotted	Poundage allotted	Average size of allotment
		Number	Acres	Million pounds
Flue-cured (11-14) ¹	190,729	457,516	886.7	24,649
Burley (31) ³	308,849	—	641.0	2,075
Va. fire-cured (21)	4,638	9,284	—	2.00
Ky.-Tenn. fire-cured (22-23)	13,998	21,230	—	1.52
Dark air-cured (35-36)	18,804	9,615	—	.51
Va. sun-cured (37)	643	1,254	—	1.95
Cigar binder (51-52)	415	2,400	—	5.78
Cigar filler and binder (42-44, 53-55)	5,603	12,828	—	2.29
Total	543,679	514,127	1,527.7	—

¹Acreage poundage with national average yield goal of 1,989 pounds per acre. ²Pounds. ³Poundage quota.

Compiled from records of the Price Support and Loan Division, ASCS, USDA.

Tobacco Acreage, Yield and Production

% of 1967



Latest year projected.

USDA

Neg. ERS 8149-83(9)

enacted in late July. Prior to the August recess, these bills had not been considered by the full House and Senate. The less extensive legislation that was enacted was not controversial and was signed into law causing only a 1-week delay in the opening of the flue-cured tobacco auction markets. The more comprehensive bills will likely be taken up later in the current session of Congress.

Either one or both the comprehensive bills include:

- Flue-cured price supports in 1984 would be frozen at the 1982 level. Prices would be frozen again in 1985, if the 3-year moving average index of prices paid by farmers (including wage rates, interest, and taxes) increases less than 5 percent. Then, beginning in either 1985 or 1986, the increase in price support would move up or down from year to year based on the current formula, and the Secretary of Agriculture would retain authority to approve as little as 65 percent of any increase called for by the formula in any given year.
- Beginning in 1984, the support price for burley and other types would be set so as not to narrow the normal price between flue-cured and the other types.

• Cash leasing and renting of quotas would be abolished in 1984. Quota owners would be required to share in the risk of producing the tobacco crop, even if the quota was leased out. Beginning in 1987, authority to lease and transfer quota would be ended except for owners with 5,000 pounds or less (3,000 pounds or less in Senate bill) and for other owners who have entered into contracts to sell their quota by the end of 1989. Lease and transfer would be completely abolished in 1990. Owners of quota could:

- (1) grow the quota on the land to which the quota is assigned; (2) rent the quota to an active grower, who would produce the crop on the land to which the quota was assigned, with both owner and renter sharing the risks of growing the crop; or (3) sell the quota to an active grower in the same county.
- Beginning in 1984, no more than 15,000 pounds of burley quota could be transferred to a single farm, instead of the current 30,000 pounds.
- The House bill would require imported tobacco to undergo essentially the same type of grade and quality inspection as American tobacco. Pesticide content would have to be certified essentially the same way as American tobacco.
- Other provisions include giving the Flue-Cured Stabilization Cooperative greater flexibility in using no-net-cost funds to reduce loan stocks. The amount of quota authorized for new flue-cured growers would increase, and the requirement that quota holders who rent or lease out quotas pay the same amount as growers into the no-net-cost fund would be eliminated. For burley tobacco, leasing of quota would be prohibited after July 1 of the crop year for which the lease applies. The bills would extend the deadline from December 1, 1983, to December 1, 1984, for nonfarming entities to sell their tobacco quota.²

²Final rules and regulations concerning implementation of the No-Net-Cost Tobacco Act of 1982 were published in the Federal Register, Volume 48, No. 175, September 8, 1983, pp. 40638-40641 and 40644-40648.

Cash Rebate Offered On Hike in Flue-Cured Purchases

In an effort to increase sales of the 1983 flue-cured crop, USDA approved a Stabilization Cooperative plan on July 20 to pay tobacco companies a cash rebate of 30 cents a pound on all purchases of the 1983 crop that exceed total purchases by all companies in 1982.

Rebates will be paid if total trade purchases exceed the 734 million pounds purchased by the trade last year. Payments would be made with funds collected from assessments under the no-net-cost law, and made after markets close later this year.

USDA Updates Flue-Cured Tobacco Grade Standards

On June 27, USDA revised flue-cured tobacco grade standards to more accurately describe the leaf now being marketed. The revisions include nine new definitions for color combinations of whitish-yellow (LL) and variegated dark-red (KD) tobacco.

The new grades include:

- Two grades for prematurely ripe and pale-colored tobacco from the cutter groups that have taken on characteristics of the priming groups.
- Two grades for whitish-lemon tobacco produced during wet growing seasons.
- Three grades for darker colors of tobacco increasingly marketed over the last few years.
- One grade for fourth-quality slick lugs.
- One grade for tobacco with variegated orange colors found primarily in the cutter group.

Ten grades were dropped. These grades represent qualities that have largely disappeared.

1984 Supports And Marketing Quotas Uncertain

Support prices for 1984 are uncertain because of pending legislation that would freeze them at the 1982 and 1983 levels. For eligible 1984 crops, the overall price support under basic legislation is likely to rise about 5 percent from 1983. This estimate is based on indicated changes in the parity index. But, under current legislation, the support increase can be held to 65 percent of the amount permitted under the basic price-support legislation. In 1983, support prices were frozen at 1982 levels under Public Law 98-59, signed July 25, 1983. In 1984, price supports for various types of tobacco may increase a minimum of about 3.2 percent from the frozen 1983 level, depending on the supply and demand for the type of tobacco. Flue-cured and burley supports are likely to be adjusted downward from the basic formula.

USDA will soon consider written comments on the size of the 1984 flue-cured marketing quota. By December 1, USDA will announce the quota (acreage-poundage) and the matching national acreage allotment. Individual farm quotas and acreage allotments for next year will reflect this year's overmarketings and undermarketings. Marketings this year are forecast to fall below the effective quota (table 14).

By February 1, USDA will announce the 1984 burley poundage quota and acreage allotments for other kinds of tobacco under quota. Shortly after that announcement, growers of Ohio filler and Wisconsin and Connecticut binder types will vote in referendums for or against marketing quotas on their next three crops. In previous referendums, producers of burley, fire-cured, dark air-cured, and Virginia sun-cured types approved marketing quotas applicable to the 1984 crop.

Maryland and Pennsylvania tobacco growers turned down marketing quotas in the last referendum (1983), so Government price support is not available for the 1983-85 crops. Pennsylvania filler has never had marketing quotas. For Maryland, quotas last applied to the 1965

Table 14.—Flue-cured tobacco auction markets: Gross sales, average price, loan receipts, sales dates, through Sept. 9, 1982 and Sept. 8, 1983

	Gross sales		Average price per pound		Loan receipts				Sales period	
	1982	1983	1982	1983	Volume		Percent of Sales		Opening date	Closing date
					1982	1983	1982	1983		
<i>Million pounds</i>										
14, Ga.-Fla.	119.2	95.7	179.9	173.3	12.4	19.1	10.4	19.9	July 27 (July 21)	(Oct. 1)
13, S.C.-Border N.C.	147.2	110.2	174.1	174.4	37.1	18.2	25.2	16.5	Aug. 2 (July 26)	(Oct. 14)
12, Eastern N.C.	203.6	147.3	177.4	177.4	62.4	34.2	30.6	23.2	Aug 3 (July 27)	(Oct. 25)
11, old and middle Belts N.C., Va. ¹	138.0	81.8	171.1	164.5	30.5	14.4	22.1	17.7	Aug. 8 (July 27)	(Nov. 1)
All Belts ²	608.1	435.1	175.6	173.3	142.3	85.8	23.4	19.8	(July 21)	(Nov. 1)

¹Four "Sandhills" markets opened with type 12, Eastern N.C. ²Computed from unrounded data.

crop. In Puerto Rico, the Commonwealth Government has set filler tobacco quotas for many years. Shade-produced wrapper (types 61-62) is not covered by marketing quota legislation.

FLUE-CURED

Sales Prices Near Last Year

Dry weather in July and August, coupled with excessive rain and cool weather in April and May, resulted in lower yields and quality than last year. With price supports averaging the same as in 1982, and with weak demand, overall auction prices are averaging about 1 percent lower than a year ago. Last year, prices rose 7 percent compared with 17 percent in 1981.

Demand for tobacco has been weakened by reduced cigarette consumption, resulting from hikes in Federal and State excise taxes. The 1983 marketing season began a week later than last year, so that legislation to freeze price supports could be enacted. The Georgia-Florida market opened July 27, and others followed in successive weeks. Even though the market opening was 2 weeks later than usual, it was still ahead of crop maturation. Weekly sales opportunities (USDA-sanctioned schedules) have not been fully used, and harvest is progressing much slower than usual.

A larger share of producers signed up for USDA's "four-leaf" program this year than last. This program allowed growers to plant up to 10-percent additional acreage, provided they left the four bottom leaves in the field.

About 21-percent participation was recorded beltwide. Many growers who did not sign up used this practice anyway to increase average returns. So far this year, price-support loan receipts have been high, but are lower than 1982's large volume.

At auctions through September 8, flue-cured tobacco averaged \$1.73 a pound, or about 2 cents below the same date last season (table 14). Some grade averages were higher and some lower. By September 8, about half of the crop had been sold, a smaller share than a year earlier.

Loan Receipts Below 1982's High Level, But Still High

The price support for the 1983 flue-cured crop averaged \$1.699 a pound. Although the crop outturn was below likely disappearance, large supplies and weak demand are holding purchases down. Loan receipts through September 8 totaled 86 million pounds, about 20 percent of marketings. By this date in 1982, 23 percent went under loan.

To receive price support, flue-cured tobacco growers must certify in writing that any tobacco they deliver contains no concealed foreign material or tobacco of inferior grade, quality, and condition. They also must certify that they did not use DDT, endrin, toxaphene, or TDE pesticides, and must designate one or more warehouses within 100 miles of their county seat for selling their crop. Under quota legislation, growers receive price support on marketings up to 110 percent of their farm

Table 15.—Flue-cured and burley tobacco: Marketing quota and marketings, 1973-83

Year	Quota		Marketings				
	Basic	Effective	Actual	Over-quota	Under-quota	Effective underquota ¹	Net carryover ²
<i>Million pounds</i>							
Flue-cured, types 11-14							
1973	1,178.7	1,205.6	1,159.0	54.8	100.5	95.3	40.5
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1	1,316.0	49.4	139.9	130.2	80.8
1977	1,116.5	1,197.3	1,124.2	42.6	115.2	106.9	64.3
1978	1,117.2	1,181.5	1,205.9	65.6	43.9	41.8	-26.4
1979	1,094.9	1,068.5	973.8	24.8	118.8	117.0	92.2
1980	1,094.4	1,186.5	1,086.1	36.0	137.9	135.1	99.1
1981	1,012.9	1,111.4	1,144.3	64.9	31.3	29.2	-35.6
1982 ³	1,013.0	976.8	993.8	54.4	37.5	30.6	-23.8
1983 ⁴	910.5	886.7					
Burley, type 31							
1973	559.7	573.6	460.7	11.3	113.1	111.7	100.3
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	726.4	663.6	33.1	96.2	82.3	49.2
1977	636.2	683.4	612.6	27.2	99.0	80.8	53.6
1978	614.2	667.8	614.2	31.5	88.2	67.6	36.1
1979	614.2	647.8	472.2	12.2	188.6	168.8	155.2
1980	614.4	768.9	557.5	11.6	224.3	200.1	181.8
1981	660.1	841.9	725.6	25.2	143.0	129.4	104.2
1982 ³	680.3	777.8	776.7	46.8	50.9	41.2	-5.6
1983 ⁴	646.6	641.0					

¹Underquota marketings less ineligible carryover. ²Effective underquota marketings less overquota marketings. ³Subject to revision. ⁴Preliminary. Compiled from records and reports of Price Support and Loan Division, ASCS.

Table 16.—Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yields, production, carryover, supply, disappearance, season average price, and price support operations, 1973-83 (farm-sales weight)

Marketing Year	Acreage Harvested	Yield per acre	Marketings ²	Beginning stocks ¹			Total supply			
				Manufacturers and others	Under loan	Total				
<i>Thousand acres</i>		<i>Pounds</i>		<i>Million pounds</i>						
Flue-cured, types 11-14										
1974	616.3	2,014	1,245.1	1,330.6	276.7	1,607.3	2,852.4			
1975	717.2	1,973	1,414.7	1,471.9	179.9	1,651.8	3,066.5			
1976	666.6	1,974	1,316.0	³ 1,539.1	359.2	³ 1,898.3	3,214.3			
1977	589.3	1,917	1,124.2	1,517.6	556.9	⁴ 2,075.0	3,199.2			
1978	602.1	2,046	1,205.9	1,517.9	534.0	⁴ 2,051.9	3,257.8			
1979	502.8	1,881	945.8	1,510.8	564.0	2,074.8	3,020.6			
1980	555.1	1,957	1,086.1	1,411.0	554.4	1,965.4	3,051.5			
1981	540.6	2,164	1,144.3	1,416.8	595.8	2,012.6	3,156.9			
1982	473.3	2,126	993.8	1,626.4	518.7	2,145.1	3,138.9			
1983 ⁵	421.0	1,900	836.9	1,516.6	688.4	2,205.0	3,041.9			
Burley, type 31										
1974	260.7	2,350	610.4	931.5	139.2	1,070.7	1,681.1			
1975	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7			
1976	285.8	2,376	663.8	³ 1,115.3	44.8	³ 1,160.1	1,823.7			
1977	268.6	2,298	612.5	1,162.3	54.9	⁴ 1,217.2	1,829.7			
1978	261.4	2,396	617.6	1,087.0	113.5	⁴ 1,218.4	1,836.0			
1979	238.1	1,873	445.8	1,056.3	155.4	1,211.7	1,657.5			
1980	276.6	2,027	557.5	959.5	66.3	1,025.8	1,583.3			
1981	331.2	2,203	725.6	1,000.2	0	1,000.2	1,725.8			
1982	340.3	2,379	776.7	1,120.2	.7	1,120.9	1,897.6			
1983 ⁵	290.4	1,537	479.2	1,041.6	266.0	1,307.6	1,786.8			
Disappearance				Average price per pound	Price support level	Placed under loan				
Total	Domestic	Exports				Quantity	Percentage of crop			
<i>Million pounds</i>				<i>Cents</i>	<i>Million pounds</i>	<i>Percent</i>				
Flue-cured, types 11-14										
1973	1,301.0	703.0	598.0	88.1	76.6	30.7	2.7			
1974	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9			
1975	1,193.1	670.6	522.5	99.8	93.2	259.0	18.4			
1976	1,148.2	634.0	514.2	110.4	106.0	277.3	21.0			
1977	1,147.3	608.2	539.1	117.6	113.8	195.6	17.3			
1978	1,182.8	584.1	598.7	135.0	121.0	64.1	5.3			
1979	1,083.2	563.2	520.0	140.0	129.3	72.0	7.4			
1980	1,038.5	529.6	508.9	144.5	141.5	137.2	12.6			
1981	1,011.7	488.8	522.9	166.4	158.7	105.9	9.3			
1982	934.5	478.5	456.0	178.5	169.9	258.9	26.0			
1983					169.9					
Burley, type 31										
1973	619.0	533.1	86.8	92.9	78.9	.7	.1			
1974	586.7	518.8	67.9	113.7	85.8	2.8	.4			
1975	602.5	510.1	92.4	105.5	96.1	50.7	7.9			
1976	606.3	489.6	116.8	114.2	109.3	46.6	7.0			
1977	611.3	494.8	116.5	120.0	117.3	57.0	9.2			
1978	624.3	502.8	121.4	131.2	124.7	67.7	10.8			
1979	631.8	498.5	133.3	145.2	133.3	7.3	1.5			
1980	583.1	477.6	105.5	165.9	145.9	.0	.0			
1981	604.9	463.9	141.0	180.7	163.6	.8	.1			
1982	⁶ 590.0	⁶ 460.0	6130.0	181.0	175.1	269.2	35.0			
1983					175.1					

¹July 1 for flue-cured; October 1 for burley. ²Actual marketings in the marketing year. For 1983, includes estimated production plus unsold 1982 production held by producer cooperatives. ³Adjusted for change in conversion factor January 1, 1977. ⁴Stocks revision January 1, 1979 report.

⁵September 1, crop estimate. Derived from State Crop Reporting Service estimates with State funds. ⁶Estimated.

Table 17.—United States exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1980/81-1982/83¹

(Declared weight)

Importing country	1980/81	1981/82	1982/83	Importing country	1980/81	1981/82	1982/83 ²
Million pounds				Thousand pounds			
Flue-cured, types 11-14				Va. fire & sun-cured, types 21 & 37			
United Kingdom	32.2	27.5	21.1	Switzerland	93	66	0
West Germany	51.4	44.1	39.4	Norway	701	1,093	322
Japan	58.2	68.2	66.0	Sweden	291	187	337
Netherlands	20.3	15.8	8.9	West Germany	101	375	198
Thailand	17.0	18.9	6.7	Other countries	472	527	304
Australia	8.7	8.3	7.9	Total	1,658	2,249	1,162
Italy	15.5	15.3	18.8				
Sweden	7.5	4.0	4.4	One Sucker, type 35			
Norway	2.7	2.6	3.2	Bahamas	2	0	0
Finland	6.1	6.0	4.2	Zaire	0	0	0
Denmark	7.3	7.9	9.5	Other countries	0	126	84
Ireland	2.2	4.3	1.5	Total	2	126	84
Belgium-Luxembourg	5.6	4.9	10.2				
Switzerland	8.6	6.9	10.4	Green River, type 36			
Republic of Korea	.1	10.9	0	United Kingdom	40	7	42
Philippines	6.2	5.1	7.0	Benin (Dahomey)	0	0	0
Spain	24.9	28.0	27.8	Zaire	0	0	0
Malaysia	4.6	8.2	7.2	Other countries	0	0	22
Taiwan	13.2	22.0	17.0	Total	40	7	64
Egypt	10.9	13.5	5.4				
Other countries	57.8	48.1	44.4	Cigar Filler, types 41-44			
Total	361.0	369.0	320.9	Canada	18	0	0
				France	163	13	37
				Other countries	295	174	165
				Total	476	187	202
Burley, type 31				Binder, types 51-55			
Italy	11.5	11.6	14.9	Dominican Republic	60	0	57
Sweden	2.1	1.0	1.4	Switzerland	0	0	0
Denmark	.8	1.5	2.2	Canada	110	77	57
Netherlands	.8	.6	.8	Other countries	15	9	7
Japan	13.6	17.3	18.4	Total	185	86	121
West Germany	19.2	17.1	12.6				
Switzerland	5.0	8.6	9.1	Cigar Wrapper, types 61-62			
United Kingdom	.6	1.7	.1	United Kingdom	441	161	0
Thailand	3.6	8.7	2.5	West Germany	40	0	11
Philippines	3.3	5.9	5.0	Canada	20	46	42
Other countries	12.3	26.2	14.6	Dominican Republic	2,337	829	328
Total	73.0	100.3	81.5	Netherlands	238	320	366
				Other countries	459	42	123
Maryland, type 32				Total	3,532	1,398	880
Belgium-Luxembourg	.6	.6	.7				
West Germany	1.3	.7	1.4	Black Fat			
Switzerland	3.9	3.8	3.1	Benin (Dahomey)	1,764	1,722	601
Other countries	.8	1.1	1.7	Cameroon	0	0	0
Total	6.6	6.1	6.9	Niger	430	542	0
				Nigeria	359	146	0
Ky.-Tenn. fire cured, types 22-23				Togo	0	132	0
Sweden	.4	.4	.6	Other countries	492	225	95
Netherlands	9.6	10.3	9.7	Total	3,045	2,767	696
Belgium-Luxembourg	.5	.6	.6				
France	2.0	.8	1.3				
Switzerland	.2	.4	.3				
Other countries	2.7	3.6	3.5				
Total	15.4	16.1	16.2				
Stems, Trimmings, and Scrap 2							
Sweden	4.5	1.7	1.9				
Denmark	1.0	5.7	5.8				
United Kingdom	8.7	5.0	6.9				
West Germany	12.2	9.8	7.7				
Japan	23.8	27.5	27.4				
Other countries	28.7	26.7	22.3				
Total	79.1	76.4	72.1				

¹July-June crop year for flue-cured, and cigar wrapper; October-September crop year for all other types except October-July for 1982-83. ²Subject to revision.

Detail may not add to total due to rounding. Compiled from publications and records of the Bureau of the Census.

poundage quota. Marketings above the poundage quota are deducted from the following year's quota. For marketings above 110 percent, growers must pay a penalty of 133.9 cents a pound (75 percent of the average market price for the preceding year).

Indications are that 1983 production will be about 11 percent below the effective quota, but that 1982 production delivered to Stabilization and marketed this year (5.5 million pounds was purchased by manufacturers and dealers and 31.7 million pounds was placed under loan) could bring marketings in 1983 to within 6 percent of the effective quota. Marketings have exceeded quota in only 3 of the last 10 years (table 15). A few growers may have tobacco in excess of their allowable 110 percent. Leasing is not authorized during the marketing season, so such tobacco will have to be carried over on farms, because Stabilization or other firms have no provisions for receiving or processing this tobacco.

Disappearance Lower

Last year, disappearance of flue-cured tobacco totaled 935 million pounds, about 8 percent below the previous year (table 16). Both domestic use and exports declined. The 2-percent decline in domestic disappearance reflects lower production of cigarettes, further economies in tobacco use, and use of imported tobacco. Because consumption of cigarettes is declining, domestic disappearance during 1983/84 is likely to continue to decline.

Flue-cured exports declined last year because consumption of cigarettes is declining in major developed countries—traditional markets for U.S. leaf. Also, general economic activity, though improving, still remains depressed, and high interest rates continue. The value of the U.S. dollar remains strong relative to a number of currencies, further adding to foreign buyers' costs. Among leading importers, Japan, West Germany, Thailand, the United Kingdom, and the Netherlands took less than last season, whereas Italy, Denmark, and Belgium took more (tables 17 and 18). For 1983, exports to most destinations are expected to decline because of this year's lower quality crop and the continuing shift of overseas manufacturers to such suppliers as Zimbabwe and Malawi.

Supplies Decline

Even though the 1983 crop is much smaller, the larger carryover drops the flue-cured supply for 1983/84 only 3 percent below last season. Flue-cured acreage for harvest in 1983 is down 11 percent from a year ago, and the national yield is also estimated 11 percent lower. Lower yields are forecast for all belts, but the biggest drops are indicated for the old and middle belts of North Carolina and Virginia and for the eastern North Carolina belt. The flue-cured States' forecast for flue-cured production was 800 million pounds—21 percent below 1982. Output is down in all belts.

Flue-cured carryover on July 1, 1983, totaled around 2.2 billion pounds, 3 percent above a year earlier. The supply—indicated production plus carryover—is about 3 percent below a year ago. This year's supply is 3.25 times prospective use, or well above the desired ratio of 2.4 based on the legislative formula. However, marketings this year will fall short of use, so carryover next July 1 may decline.

The relatively high stocks-use ratio and reduced cigarette sales are limiting purchases by domestic manufacturers this auction season. By September 1, uncommitted loan stocks of 1976-82 flue-cured tobacco—a component of the carryover and supply estimates—were reported at 596 million pounds, up 176 million from a year ago. All 1975 stocks have now been sold. The

Table 18.—U.S. flue-cured tobacco exports: Percentage stemmed form of total, 1975-83

Year ending June 30	(unstemmed equivalent basis)		
	United Kingdom	Other countries	All countries
<i>Percent</i>			
1975	98.9	60.1	67.1
1976	99.4	66.1	71.3
1977	99.0	65.3	69.8
1978	94.7	68.7	73.0
1979	87.6	70.7	74.6
1980	93.4	79.2	80.4
1981	95.5	85.4	86.3
1982	91.7	87.8	88.1
1983	96.9	188.0	88.8

¹Federal Republic of Germany was 79.4 percent.

Table 19.—Lease and transfer of allotments and quotas, 1974-83

Year	Flue-cured			Burley
	Thousand acres	Million pounds	Million pounds	Burley
1974	234.1	416.1	81.6	
1975	251.4	474.8	99.6	
1976	246.7	464.3	113.6	
1977	241.6	448.8	124.2	
1978	245.8	464.4	142.8	
1979	267.7	477.3	130.1	
1980	279.2	499.9	140.3	
1981	250.8	475.7	185.9	
1982 ¹	240.5	464.3	185.0	
1983 ¹	148.3	316.4	81.1	

¹Preliminary.

Compiled from records of Price Support and Loan Division, ASCS.

Table 20.—Burley marketing quota, Kentucky, Tennessee, other States, 1981-83

State	Carryover (net)	Basic quota	Effective quota
	<i>Million pounds</i>		
1981			
Kentucky	79.1	440.9	520.0
Tennessee	59.8	121.7	181.5
Other States	42.9	97.5	140.4
1982			
Kentucky	33.3	454.8	488.1
Tennessee	32.7	124.8	157.5
Other States	31.6	100.7	132.3
1983			
Kentucky	-25.2	432.4	407.2
Tennessee	10.2	118.6	128.8
Other States	9.4	95.6	105.0

Compiled from records and reports of Price Support and Loan Division, ASCS.

large loan takings—86 million pounds as of September 8, together with 32 million pounds of overquota tobacco from the 1982 crop have boosted loan stocks to over 700 million pounds.

BURLEY

Burley tobacco (type 31) goes chiefly for cigarettes. In the marketing year ending September 30, nearly 75 percent is going for U.S. cigarettes, while exports will take about one-fifth, and other products will use the rest. Both domestic use and exports are down this season.

Disappearance Is Smaller

Domestic use of burley tobacco for the year ending September 30 may fall below the 464 million pounds used in 1981/82 (table 16). Together with smaller exports, total disappearance is expected to drop about 2 percent below last season's 605 million pounds. But the carryover will rise sharply, because of 1982's record large crop.

Disappearance during the first 9 months of the marketing year was 447 million pounds, down 7 percent from a year earlier. Domestic use totaled 334 million pounds, down 20 million from last year. Cigarette output dropped 7 percent during that period, but cigarette tobacco imports gained so that the proportion of foreign leaf in cigarettes rose.

For the first 10 months, burley exports totaled 122 million pounds, 7 percent below a year earlier. West Germany and Thailand took less, but Japan, Italy, and Switzerland took more.

World burley production rose by 16 percent last year because of the large increase in the United States and several other countries. Production in the rest of the world rose 22 percent. Large increases occurred in Brazil, Malawi, Korea, and Thailand. This year, world production was estimated to decline 5 percent, but foreign production was expected to increase 9 percent, partly offsetting the large drop in the U.S. crop. Production hikes in Brazil and Malawi accounted for three-fourths of the expected boost in foreign production.

Supplies To Decline Because Of The Short Crop

The September burley States' estimate of the 1983 U.S. burley crop is 446 million pounds—45 percent below 1982's record large crop. This season, the effective quota is smaller, and both acreage and yields are down. Dry weather in July and August reduced yields by more than one-third and brought brisk sales of loan stocks. By September 1, one-half of the 1982 crop loan stocks had been sold.

Despite the large carryin, burley supply for 1983/84 based on September 1 crop conditions is about 6 percent below last year because of sharply lower production in 1983. The prospective supply is about 3.0 times probable disappearance and is above the desired ratio, based on the legislative formula of supply representing 2.6 years disappearance.

U.S. auction sales usually begin in late November. The 1982 crop sold for \$1.81 a pound, about the same as the

year before. Price supports for 1983 will average \$1.75 a pound, the same as in 1982. For 1983/84, USDA will provide official grading for burley tied in hands, for untied burley packed straight in bales, and for tobacco placed in burlap sheets and offered for sale at auctions.

SOUTHERN MARYLAND

Southern Maryland tobacco (type 32), a light air-cured tobacco, goes almost entirely into cigarette production. About one-fourth of the crop is exported.

Use Increases

Disappearance of Maryland tobacco during October 1982-June 1983 totaled 29 million pounds—2 million above a year earlier. Both domestic use and exports were up. Prices for the 1982 crop were lower because of large supplies of both Maryland and burley tobacco. By next January 1, carryover will increase a little from this year's 41 million pounds.

Table 21.—Burley tobacco: Percentage of selected groups, quality, and color categories of total, 1973-82

Crop Year	Mixed group	1, 2, 3, quality	Tan color
		Percent	
1973	22.6	47.6	65.7
1974	31.4	40.0	54.7
1975	20.6	34.6	55.9
1976	14.7	45.8	55.8
1977	13.2	31.8	42.1
1978	9.1	37.7	49.5
1979	11.4	33.1	50.9
1980	20.0	26.6	53.3
1981	29.1	24.4	48.2
1982	20.2	22.4	36.0

Compiled from reports to Tobacco Division, AMS

Table 22.—Tobacco loan stocks, 1981-83 (Farm-sales weight)

Type	End of August		
	1981	1982	1983 ¹
Million pounds			
Flue-cured, 11-14	618.5	606.6	694.6
Burley, 31	25.7	.8	269.8
Virginia, 21	2.5	2.3	2.4
Kentucky-Tennessee, 22-23	16.7	9.7	7.4
Kentucky-Tennessee, 35-36	7.1	8.4	13.7
Ohio, 42-44	.4	.2	1.7
Puerto Rican, 46	8.7	7.0	5.9
Connecticut Valley, 51-52	1.3	2.1	2.8
Wisconsin, 54	(2)	1.4	2.1
Wisconsin, 55	.3	4.2	6.7
Total	681.2	642.7	1,007.1
Uncommitted			
Flue-cured, 11-14	405.0	³ 419.9	³ 596.1
Burley, 31	0	³ .8	⁴ 140.0

¹July 31. ²Negligible. ³August 31. ⁴Approximate amount as of September 6.

Compiled from records of Producer Association Division, ASCS.

Exports of Maryland tobacco were up the first 10 months of this marketing year to 9 million pounds. Sales to Switzerland, the major destination, were about 15 percent lower, but West Germany, Israel, Egypt, and Belgium took more.

The crop is estimated at 32 million pounds, 10 million below 1982's crop. Production in Maryland is forecast to decline 13 million pounds, but Pennsylvania production may rise 3 million pounds. With the smaller 1983 crop, supply will decline about 10 million pounds.

The 1981 Farm Act provides prohibitive penalties for growing and marketing Maryland tobacco in quota areas. Unlike in 1981, little Maryland tobacco is being produced in the flue-cured States of North Carolina, South Carolina, and Virginia. However, quotas are not applicable to Pennsylvania seedleaf tobacco and prices are low, so some growers are changing to production of Maryland.

FIRE-CURED

Fire-cured tobacco is used for making snuff, plug and twist chewing tobacco, cigars, and smoking tobacco. More than half the crop is exported. Prices and production have varied widely over the last 10 years.

Disappearance Rises

Disappearance of fire-cured tobacco (types 21-23) during the first 9 months of the 1982/83 marketing year (beginning October 1, 1982) was 36 million pounds, 10 million above a year earlier. Both domestic use and exports were up. During October 1982-June 1983, output of snuff—the major domestic use of fire-cured—was up.

Estimated disappearance for the year is 46½ million pounds, 9 million pounds above last season, but still below output. Carryover will probably rise about 7 million pounds over last year (table 24).

Compared with last year, exports of fire-cured tobacco for the season now ending are expected to be higher.

Exports of 17.7 million pounds of Kentucky-Tennessee types during the first 10 months were 4½ million pounds higher than a year earlier. In the same period, Virginia fire-cured exports, 1.4 million pounds, were 30 percent below a year earlier.

Based on State estimates 1983 fire-cured production is expected to total 35 million pounds, 34 percent below last year's crop. Both acreage and yields are down. Total supplies are expected to decline from this year's 125 million pounds—less than 3 times disappearance.

DARK AIR-CURED

Dark air-cured tobacco (types 35-37) is used in plug and twist chewing tobacco, snuff, and to some extent for smoking tobacco and cigars. Production and use have declined by more than half over the last two decades. Exports normally account for about one-sixth of annual disappearance.

Use About Unchanged

Disappearance of dark air-cured tobacco during the first 9 months was 12½ million pounds, 2½ million above a year earlier. Exports declined, but domestic use increased. Output of chewing tobacco declined a little, but smoking tobacco production increased a little. Because of a lower quality crop, last season's prices declined from 1981/82.

For the year, total disappearance will likely rise a little from last year's 14 million pounds. This would mean a carryover of 43 million pounds, about 5 million pounds above last October 1 (table 25).

Supplies To Change Little

Based on State estimates this year's dark air-cured crop may total 13.4 million pounds—35 percent below last year's crop. Anticipated yields are lower, and acreage is estimated to be 13 percent lower as well. The smaller crop, but larger carryover, will result in 1983/84 supplies slightly below last year's 60 million pounds. Supplies

Table 23.—Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1974-83 (farm sales weight)

Marketing Year ¹	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Stocks following Jan. 1	Total	Total	Domestic	Exports	
Thousand acres	Pounds				Million pounds				Cents
1974 ²	26.0	1,260	32.8	51.7	84.5	33.5	25.0	8.5	92.2
1975 ²	23.0	955	22.0	53.6	75.6	35.7	26.0	9.7	107.5
1976 ²	25.0	1,205	30.1	41.9	72.0	29.9	17.4	12.5	110.0
1977 ²	25.0	1,230	30.8	45.3	76.1	29.0	19.6	9.4	115.1
1978 ²	24.0	1,275	30.6	41.9	72.5	31.1	21.1	10.1	123.1
1979 ²	19.5	1,130	22.0	41.3	63.4	33.6	23.6	10.0	139.7
1980 ²	24.0	1,091	26.2	32.6	58.8	27.3	18.6	8.7	167.9
1981 ²	36.2	1,281	46.4	37.0	83.4	36.0	27.9	8.1	3157.3
1982 ²	29.3	1,433	42.0	40.7	82.7	437.0	428.3	48.7	3148.1
1983 ⁵	30.3	1,056	32.0	41.0	73.0				

¹Year beginning October 1. ²Includes sales and certification. ³Auction sales. ⁴Estimated. ⁵Estimated carryover; September 1 crop estimate. Economic Research Service estimates derived from Crop Reporting Service Maryland and Pennsylvania State estimates.

Table 24.—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1974-83 (farm-sales weight)

Mkt. Yr. begin. Oct. 1	Acre. harvested Thousand acres	Yield per acre Pounds	Prod. Kentucky-Tennessee fire-cured, types 22-23	Beginning stocks			Total supply Million pounds
				Mfrs. & other	Under loan	Total	
				Million pounds			
1974	16.2	1,602	26.0	44.0	1.1	45.1	71.1
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976	21.2	1,567	33.2	42.6	(1)	42.6	75.8
1977	25.6	1,767	45.2	41.2	(1)	41.2	86.4
1978	27.1	1,898	51.4	50.0	1.0	51.0	102.4
1979	22.1	1,791	39.6	54.0	11.1	65.1	104.7
1980	19.4	1,680	32.6	48.9	19.1	68.0	100.6
1981	20.6	1,578	32.4	48.4	14.7	63.1	95.5
1982	23.5	2,030	47.7	54.5	8.0	62.5	110.2
1983 ²	21.0	1,477	31.0			67.2	98.2
Virginia fire-cured, type 21							
1974	5.0	1,185	5.9	7.1	—	7.1	13.0
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976	5.3	1,000	5.3	7.4	(1)	7.4	12.7
1977	7.2	1,000	7.2	7.0	(1)	6.7	13.9
1978	6.1	1,120	6.8	7.9	.8	8.7	15.5
1979	4.8	1,135	5.4	8.2	2.7	10.9	16.3
1980	3.9	935	3.6	6.0	3.3	9.3	12.9
1981	4.1	1,265	5.2	5.7	2.6	8.3	13.5
1982	4.8	1,150	5.5	6.7	2.3	9.0	14.5
1983 ²	4.8	876	4.2			11.0	15.2
Disappearance							
Total	Domestic	Exports	Aver. price per lb.	Price support level	Placed under loan		
					Quantity	% of crop	
			Million pounds	Cents	Million pounds	Percent	
Kentucky-Tennessee fire-cured, types 22-23							
1974	30.3	14.5	15.8	93.4	58.2	.7	2.7
1975	30.7	12.2	18.5	104.7	65.2	.1	.4
1976	34.6	11.2	23.4	142.4	74.1	(1)	—
1977	35.4	17.4	18.0	132.3	79.5	1.1	2.4
1978	37.3	15.1	22.2	112.5	84.6	11.3	22.2
1979	36.7	18.0	18.7	115.2	90.3	11.4	28.8
1980	37.5	19.7	17.8	121.9	98.9	2.1	6.4
1981	33.0	14.5	18.5	161.1	111.0	1.1	2.8
1982	³ 43.0	³ 19.5	³ 23.5	156.0	123.0	4.4	9.2
1983					123.0		
Virginia fire-cured, type 21							
1974	5.7	.7	5.0	81.7	58.2	.3	4.5
1975	4.8	1.4	3.4	93.0	65.2	(1)	.9
1976	6.1	⁴ 2.0	4.1	118.0	74.1	.1	1.5
1977	5.2	2.8	2.4	96.2	79.5	1.0	14.4
1978	4.6	1.0	3.6	94.5	84.6	1.8	26.2
1979	7.0	3.2	3.8	107.9	90.3	.9	16.3
1980	4.6	2.6	2.0	128.1	98.9	.3	7.2
1981	4.5	1.8	2.7	131.7	111.0	.3	5.9
1982	³ 3.5	³ 1.7	³ 1.8	117.6	118.8	.5	9.3
1983					118.8		

¹Less than 50,000 pounds. ²Estimated carryover; September 1 crop estimate. Economic Research Service estimates based on Crop Reporting Service State estimates and estimates by type within States with State funds when available. ³Estimated. ⁴Includes 400,000 pounds fire loss, December 1976.

**Table 25.—Dark air-cured tobacco, types 35-36, and sun-cured tobacco type 37:
Acreage, yield, production, carryover, supply, disappearance, season average
price, and price support operations, 1974-83 (Farm-sales weight)**

Marketing yr. begin. Oct. 1	Acre, har- vested	Yield per acre	Prod.	Beginning stocks			Total supply						
				Mfrs. & other	Under loan	Total							
		<i>Thousand acres</i>	<i>Pounds</i>										
<i>Million pounds</i>													
Dark air-cured, types 35-36													
1974	7.0	1,653	11.6	31.4	5.5	36.9	48.5						
1975	8.0	1,750	14.0	32.7	(1)	32.9	46.9						
1976	9.3	1,660	15.1	28.2	—	28.2	43.3						
1977	11.2	1,809	20.4	26.1	—	26.1	46.5						
1978	11.2	1,969	22.2	30.4	(1)	30.4	52.6						
1979	9.7	1,665	16.1	30.0	4.1	34.1	50.2						
1980	9.3	1,745	16.2	28.6	5.6	34.2	50.4						
1981	9.7	1,614	15.7	29.6	6.8	36.4	52.1						
1982	10.2	1,951	19.9	29.8	8.1	37.9	57.8						
1983 ²	8.9	1,460	13.0			43.3	56.3						
Sun-cured, type 37													
1974	.7	1,315	.9	3.0	0	3.0	3.9						
1975	.7	930	.7	2.3	0	2.3	3.0						
1976	.7	1,115	.8	2.1	0	2.1	2.9						
1977	.8	1,030	.8	1.8	0	1.8	2.6						
1978	.7	1,205	.9	1.8	0	1.8	2.7						
1979	.5	1,055	.6	2.2	0	2.2	2.8						
1980	.4	1,010	.4	2.0	0	2.0	2.4						
1981	.5	1,320	.7	1.6	0	1.6	2.3						
1982	.6	1,290	.7	1.6	0	1.6	2.3						
1983 ²	.5	880	.4	1.5	0	1.5	1.9						
Disappearance													
Total	Domestic	Exports	Aver. price per pound	Price support level	Placed under loan								
					Quantity	Percent of crop							
			<i>Million pounds</i>	<i>Cents</i>	<i>Million pounds</i>		<i>Percent</i>						
Dark air-cured, types 35-36													
1974	15.6	12.8	2.8	76.9	51.8	.4	3.7						
1975	18.7	16.1	2.6	89.8	58.0	.1	.5						
1976	17.2	15.1	2.1	116.6	65.9	(1)	—						
1977	16.1	13.6	2.4	117.7	70.7	(1)	—						
1978	18.4	15.7	2.7	99.1	75.2	4.3	19.7						
1979	16.0	14.2	1.8	111.7	80.4	2.2	13.7						
1980	14.0	11.7	2.3	126.5	88.0	1.4	8.6						
1981	14.2	12.1	2.1	133.0	98.7	1.5	9.6						
1982	³ 14.5	³ 12.7	³ 1.8	122.9	105.7	5.6	28.1						
1983					105.7								
Sun-cured, type 37													
1974	1.6	1.3	.3	82.1	51.8	⁴ 13	1.4						
1975	.9	.7	.2	85.5	58.9	0	—						
1976	1.1	.9	.2	105.0	65.9	0	—						
1977	.8	.6	.1	100.0	70.7	⁴ 13	1.6						
1978	.5	.3	.2	88.8	75.2	⁴ 109	12.4						
1979	.8	.6	.2	90.8	80.4	⁴ 30	5.2						
1980	.8	.7	.1	127.1	88.0	0	0						
1981	.7	.6	.1	131.7	98.7	⁴ 4	.7						
1982	³ 8	³ 7	³ 1	106.4	109.4	⁴ 68	9.3						
1983					109.4								

¹Less than 50,000 pounds. ²Estimated; September 1 crop estimate. Economic Research Service estimates based on Crop Reporting Service State estimates and estimates by type within States with State funds when available. ³Estimated. ⁴Quantity placed under loan in thousands of pounds.

Table 26--Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1974-83 (farm-sales weight)

Crop Year 1/	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
	Thousand acres	Pounds	Million pounds						Cents
Pennsylvania seedleaf filler (type 41)									
1974	13.0	2,000	26.0	47.5	73.5	24.3	24.0	.3	58.0
1975	12.0	1,650	19.8	49.2	69.0	22.2	21.8	.4	58.0
1976	13.5	1,750	23.6	46.8	70.4	20.7	20.3	.4	60.0
1977	13.5	1,940	26.2	49.7	75.9	21.8	21.6	.2	60.0
1978	13.0	1,940	25.2	54.1	79.3	23.6	23.5	.1	62.0
1979	11.2	1,580	17.7	55.7	73.4	24.3	24.0	.3	72.0
1980	13.0	1,900	24.7	49.1	73.8	21.7	21.4	.3	87.0
1981	13.3	2,050	27.3	52.1	79.4	27.1	26.9	.2	80.0
1982 2/	10.7	2,000	21.4	52.3	73.7	19.0	18.7	.3	73.0
1983 3/	7.7	1,747	13.6	54.7	68.3				
Ohio, Miami, Valley filler (types 42-44)									
1974	2.0	1,530	3.1	5.9	9.0	3.1	3.1	--	59.0
1975	2.1	1,620	3.4	5.9	9.3	3.6	3.6	--	60.0
1976	2.2	1,550	3.4	5.7	9.1	3.1	3.1	--	59.0
1977	1.8	2,025	3.6	6.0	9.6	2.6	2.6	--	62.0
1978	1.6	1,850	3.0	7.0	10.0	3.7	3.7	--	64.0
1979	1.3	1,500	2.0	6.3	8.3	4.5	4.5	--	87.0
1980	1.4	1,700	2.4	3.8	6.2	4.1	4.1	--	107.0
1981	1.7	1,440	2.5	4.0	6.5	2.1	2.1	--	105.0
1982 2/	1.8	1,950	3.5	4.4	7.9	2.0	2.0	--	90.0
1983 3/	1.5	1,400	2.1	5.9	8.0				
Puerto Rico filler (type 46) 4/									
1974	2.7	1,477	3.9	10.0	14.0	7.9	7.9	--	45.5
1975	2.7	1,500	4.3	6.1	10.4	3.2	3.2	--	50.7
1976	2.8	1,429	4.1	7.2	11.3	4.9	4.9	--	57.6
1977	2.6	1,480	3.9	6.4	10.3	3.9	3.9	--	60.2
1978	2.2	1,400	3.1	6.4	9.5	2.6	2.6	--	57.0
1979	2.0	1,000	2.0	6.9	8.9	.8	.8	--	69.1
1980	1.1	1,380	1.5	8.1	9.6	1.6	1.6	--	73.5
1981	.6	1,000	.6	8.0	8.6	1.3	1.3	--	86.0
1982 2/	.3	1,000	.3	7.3	7.6	.8	.8	--	91.0
1983 3/	.2	1,400	.3	6.8	7.1				
Total cigar filler (types 41-46)									
1974	17.7	1,870	33.1	63.4	96.5	35.3	35.0	.3	56.6
1975	16.8	1,687	27.5	61.2	88.5	28.8	28.4	.4	56.2
1976	18.5	1,681	33.1	59.7	90.2	28.1	27.7	.4	59.4
1977	17.9	1,883	33.7	62.1	95.8	28.3	27.0	.3	60.2
1978	16.8	1,863	31.3	67.5	98.8	29.9	29.8	.1	61.5
1979	14.5	1,475	21.7	68.9	90.6	29.6	29.3	.3	73.1
1980	15.5	1,845	28.6	61.0	90.6	27.5	27.0	.5	87.5
1981	15.6	2,027	30.4	64.1	94.5	30.5	30.3	.2	82.1
1982 2/	12.8	1,969	25.2	64.0	89.2	21.8	21.5	.3	75.6
1983 3/	9.4	1,702	16.0	67.4	83.4				
Connecticut Valley binder (types 51-52)									
1974	1.5	1,737	2.5	7.0	9.5	3.3	3.1	.2	82.0
1975	1.5	1,582	2.4	6.2	8.6	4.3	4.1	.2	92.7
1976	1.5	1,605	2.4	4.3	6.7	2.4	2.3	.1	89.6
1977	1.4	1,784	2.5	4.3	6.8	1.9	1.9	.*	121.3
1978	1.5	1,734	2.6	4.9	7.5	2.1	2.0	.1	144.9
1979	1.5	1,637	2.4	5.5	7.9	2.2	2.0	.2	161.5
1980	1.5	1,750	2.6	5.7	8.3	2.2	2.0	.2	178.8
1981	1.7	1,998	3.5	6.1	9.6	2.5	2.4	.1	182.1
1982 2/	2.1	1,685	3.5	7.1	10.6	2.7	2.5	.2	180.9
1983 3/	1.6	1,790	2.7	7.9	10.6				
Southern Wisconsin binder (type 54)									
1974	4.7	2,060	9.7	18.9	28.6	8.8	8.8	--	74.9
1975	5.6	1,945	10.9	19.8	30.7	7.5	7.5	--	75.1
1976	5.6	1,890	10.6	23.2	33.8	10.0	10.0	--	74.7
1977	6.2	2,020	12.5	23.8	36.3	10.2	10.2	--	84.6
1978	6.2	1,800	11.2	26.0	37.2	11.4	11.4	--	100.5
1979	6.3	2,080	13.1	25.8	38.9	--	--	--	117.0
1980	6.3	2,110	13.3	5/	--	--	--	--	125.0
1981	6.4	2,150	13.8	5/	--	--	--	--	113.0
1982 2/	5.1	2,110	10.8	5/	--	--	--	--	106.0
1983 3/	4.7	2,000	9.4	5/	--				

See footnotes at end of table.

Table 26-Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1974-83 (farm-sales weight), Continued

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
Thousand acres	Pounds		Million pounds						Cents
Northern Wisconsin binder (type 55)									
1974	4.7	1,870	8.8	16.9	25.7	9.9	9.9	*	75.4
1975	5.4	1,835	9.9	15.8	25.7	9.7	9.6	.1	75.1
1976	5.5	1,750	9.6	16.0	25.6	9.4	9.4	*	75.2
1977	5.8	2,045	11.9	16.2	28.1	9.1	9.1	.1	85.5
1978	5.9	1,550	9.1	19.1	28.2	8.9	8.9	.1	100.5
1979	6.6	1,810	11.9	19.3	31.2	--	--	--	117.0
1980	6.6	1,920	12.7	5/	--	--	--	--	125.0
1981	7.3	1,725	12.6	5/	--	--	--	--	108.0
1982 2/	5.0	1,875	9.4	5/	--	--	--	--	101.0
1983 3/	4.5	1,650	7.4	5/					
Total Wisconsin binder (types 54-55)									
1974	9.4	1,965	18.5	35.8	54.3	18.7	18.7	*	75.1
1975	11.0	1,891	20.8	35.6	56.4	17.2	17.1	.1	75.1
1976	11.1	1,821	20.2	39.2	59.4	19.4	19.4	*	75.2
1977	12.0	2,032	24.4	40.0	64.4	19.3	19.3	.1	85.0
1978	12.1	1,678	20.3	45.1	65.4	20.1	20.1	*	100.5
1979	12.9	1,942	25.0	45.3	70.3	21.4	21.4	*	117.0
1980	12.9	2,013	26.0	48.9	74.9	21.3	21.3	*	125.0
1981	13.7	1,924	26.4	53.6	80.0	20.0	20.0	*	110.6
1982 2/	10.1	1,994	20.1	60.0	80.1	20.0	20.0	*	103.7
1983 3/	9.2	1,829	16.8	60.1	76.9				
Total Cigar binder (types 51-55)									
1974	10.9	1,934	21.0	42.8	63.8	22.0	21.8	.2	76.0
1975	12.5	1,851	23.2	41.8	65.0	21.5	21.2	.3	76.9
1976	12.6	1,795	22.6	43.5	66.1	21.8	21.6	.2	76.5
1977	13.4	2,007	26.8	44.3	71.1	21.1	21.1	.1	88.4
1978	13.6	1,684	22.9	50.0	72.9	22.2	22.2	.1	105.6
1979	14.4	1,911	27.5	50.8	78.3	23.6	23.4	.2	120.9
1980	14.4	1,985	28.6	54.6	83.2	23.5	23.3	.2	129.9
1981	15.4	1,932	29.8	59.7	89.6	22.5	22.4	.1	118.9
1982 2/	12.2	1,941	23.8	67.1	90.7	22.7	22.5	.2	115.2
1983 3/	10.7	1,822	19.5	68.0	87.5				
Connecticut Valley shade-grown (type 61)									
1974	4.8	1,625	7.8	8.5	16.3	6.8	2.8	3.9	600.0
1975	4.4	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976	4.2	1,555	6.6	7.5	14.1	5.2	1.8	3.4	540.0
1977	3.3	1,544	5.1	8.9	14.0	4.7	.5	4.2	600.0
1978	2.7	1,392	3.8	9.3	13.1	5.0	.1	4.9	750.0
1979	2.7	1,472	4.0	8.1	12.1	5.4	.5	4.9	850.0
1980	3.0	1,513	4.5	6.8	11.3	5.9	2.3	3.6	980.0
1981	2.6	1,592	4.1	5.3	9.4	4.5	2.9	1.6	1000.0
1982 2/	1.1	1,421	1.6	4.9	6.5	3.2	2.2	1.0	1250.0
1983 3/	1.0	1,583	1.5	3.3	4.8				
Total shade-grown (types 61-62) 6/									
1974	6.6	1,652	11.0	15.0	26.0	10.4	6.0	4.4	536.1
1975	5.5	1,409	7.7	15.7	23.4	9.8	5.6	4.2	585.7
1976	4.6	1,565	7.2	13.6	20.8	7.7	3.8	3.8	528.2
1977	3.4	1,547	5.3	13.1	18.4	5.8	1.0	4.8	591.4
1978	2.7	1,392	3.8	12.7	16.5	6.3	1.0	5.3	750.0
1979	2.7	1,472	4.0	10.2	14.2	6.5	1.1	5.4	850.0
1980	3.0	1,513	4.5	7.8	12.3	6.1	2.2	3.9	980.0
1981	2.6	1,592	4.1	6.2	10.2	5.0	3.4	1.6	1000.0
1982 2/	1.1	1,421	1.6	5.2	6.8	3.4	2.4	1.0	1250.0
1983 3/	1.0	1,583	1.5	3.4	4.9				
Grand total cigar tobacco (types 41-62)									
1974	35.2	1,848	65.1	121.2	186.3	67.7	62.8	4.9	142.5
1975	34.8	1,678	58.4	118.6	177.1	60.3	55.4	4.9	135.1
1976	35.7	1,709	61.0	116.8	177.7	58.2	53.7	4.4	121.4
1977	34.7	1,900	65.9	119.5	185.4	55.2	50.0	5.2	114.9
1978	33.1	1,752	58.0	130.1	188.2	58.6	53.2	5.5	122.1
1979	31.6	1,684	53.2	129.9	183.1	59.7	53.8	5.9	156.4
1980	32.9	1,875	61.7	123.4	185.1	57.1	52.5	4.6	175.3
1981	33.6	1,914	64.3	130.0	194.3	58.0	56.1	1.9	158.3
1982 2/	26.1	1,933	50.5	136.3	186.7	47.9	46.4	1.5	131.2
1983 3/	21.2	1,745	37.0	138.8	175.8				

1/October 1 for types 41-55; July 1 for types 61-62. 2/Estimated disappearance. 3/Estimated carryover, September 1 crop estimate. Economic Research Service estimates based on Crop Reporting Service 5-state estimates and estimates by type within States with State funds when available. 4/Puerto Rican planting occurs late in calendar year. Price per pound excludes payment by Puerto Rican Government. 5/Not available. 6/Includes Georgia-Florida shade-grown, type 62 which has not been grown since 1978. July 1, 1983, stocks were 0.1 million pounds. See T5-176 for annual supply and disappearance. *Less than 50,000 pounds.

represent about 3.8 times the past season's use—higher than desirable.

CIGAR TOBACCO

Cigar leaf tobaccos (types 41-62) are classified according to their traditional use—filler, binder, and wrapper. However, loose leaf chewing tobacco now takes most of the filler and binder. Most cigar wrapper is exported, but exports of binder and filler are negligible.

U.S. cigar output declined last year after increasing for 2 consecutive years. Output will drop again this year.

Imports of cigar scrap remained large, and wrapper imports increased. The Philippines and countries in Central and South America are the chief foreign suppliers of cigar tobacco. About 115 million pounds of leaf are used annually for cigars and loose leaf chewing. Imports account for nearly 60 percent of the tobacco in these products.

Filler Disappearance Falls

For the first 9 months of 1982/83, disappearance of U.S. cigar filler tobacco (types 41-46) was 18 million pounds, 14 million below a year earlier. In the same period, production of loose leaf chewing tobacco increased. Less filler tobacco is apparently being used in this product. For 1982/83, filler disappearance will likely decline about 7 million pounds from a year earlier (table 26).

During October 1982-June 1983, U.S. manufacturers used 51 million pounds of foreign cigar tobacco, 3 million below a year earlier. U.S. stocks of foreign-grown cigar leaf on July 1 totaled 88 million pounds, 7 million above a year earlier.

Cigar Binder Disappearance Shows Little Change

Cigar binder disappearance during the first 9 months was 17 million pounds, 1 million below a year earlier. For Wisconsin tobacco, loose leaf chewing tobacco remains the major outlet. Output over the last 9 months was up 1 percent from a year earlier.

Disappearance of Connecticut Valley binder for 1982/83 is expected to increase a little. Carryover is expected to total about 8 million pounds, nearly 1 million pounds more than this year. The larger crop was only partially offset by higher use. With stable demand for high-priced cigars expected next year, use may stay at this year's level.

Disappearance of Wisconsin tobacco will likely change little from 1981/82. Disappearance may be about equal to last year's production so carryover stocks will remain near last year's 60 million pounds.

Cigar Wrapper Disappearance Reduced

Disappearance of shade-grown cigar wrapper (types 61-62) in the year ending June 30 fell to 3.4 million pounds, 1.6 million below a year earlier. Use is off because some manufacturers are shifting further to homogenized leaf. Production in the Connecticut Valley appears to be declining a little from last year's reduced output. Much of the Connecticut Valley crop goes overseas for processing, either to foreign buyers or to U.S. firms' subsidiaries in the Dominican Republic.

U.S. and Puerto Rican Supplies Down

Supplies of U.S. and Puerto Rican cigar tobacco will fall from 1982/83. The carryover remains about the same, but the prospective crop has declined. Both binder and wrapper supplies are down. By August 26, unsold loan stocks were 14.1 million pounds, packed weight, about 1 million pounds more than last year.

Filler: As of September 1, State tobacco estimates indicate the Pennsylvania filler crop was 13.6 million pounds, about 8 million below 1982. The new crop, plus carryover, will provide a supply 5½ million pounds lower than last season.

Output of Ohio filler is lower. As of September 1, State estimates of Ohio tobacco indicate the Ohio filler crop was 2.1 million pounds, nearly 1½ million pounds below last season's outturn. Even so, production, combined with carryover, will provide a total 1983/84 supply a little above that for last year.

Carryover of Puerto Rican filler will decline about 0.5 million from October 1, 1982. Supplies this season may fall from last season's 7.6 million pounds.

Binder: Cigar binder acreage in the Connecticut Valley is down, but indications are that yield is higher. As of September 1, State estimates indicate production was 2.7 million pounds, which is lower than last year. With carryover higher, supplies will increase slightly.

Acreage of Wisconsin binder is lower this year. With lower yields, production is indicated at about 17 million pounds, down 3 million. Still, carryover will change little because use is expected to about equal 1982's output. But, supplies will decline in 1983/84.

Wrapper: There is no production of Georgia-Florida wrapper, and the indicated acreage of Connecticut Valley wrapper is down from 1982. Production may only reach 1.5 million pounds, and with the decline in carryover, the supply is likely to drop to a record low—only 1.4 times last year's disappearance.

**Table 27.—Cigar leaf tobacco price support operations, 1979-83
(Farm-sales weight)**

Type	Placed under Government loan, crop years				Remaining under loan, end of August				
	1979	1980	1981	1982	1979	1980	1981	1982	1983 ¹
<i>Million pounds</i>									
Ohio, 42-44	0	0	0.2	1.4	1.0	0.4	0.4	0.2	1.7
Puerto Rican, 46	2.0	1.4	0.5	0.3	6.0	7.9	8.7	7.0	5.9
Conn. Valley, 51-52	.6	.1	.9	.9	1.0	1.4	1.4	2.1	2.8
Southern Wis., 54	0	0	1.4	.7	(2)	(2)	(2)	1.2	2.1
Northern Wis., 55	0	.3	3.8	3.4	0	0	0	4.2	6.7
Total	2.6	1.8	6.8	6.7	8.0	9.7	11.0	14.7	19.2

¹July 31. ²Negligible.

Compiled from records of the Producer Associations Division, ASCS.

**Table 28.—Cigarettes: Estimated world output and exports, specified
countries, average 1973-77 annual 1979-82¹**

Country	Average 1973-77	1979	1980	1981	1982	% change 1981-82	
						Billions	Percent
<i>Production</i>							
China	575.2	651.0	760.0	866.0	900.0	+4	
United States	657.9	704.4	714.1	736.5	694.2	-6	
United Kingdom	157.1	153.1	155.6	149.6	144.6	-3	
West Germany	139.5	157.5	157.9	167.8	149.0	-11	
France	81.6	77.5	72.5	62.5	62.5	0	
Italy	69.8	68.8	73.1	72.2	80.6	+12	
Other EC-9 ²	97.3	110.3	109.2	108.4	117.9	+9	
Total EC-9	545.3	567.2	568.3	560.5	554.6	-1	
Soviet Union ³	371.5	360.3	365.0	370.0	375.0	+1	
Japan	288.1	308.3	303.2	306.6	308.7	+1	
Brazil	110.2	137.0	142.7	135.0	133.0	-1	
Other	1,273.3	1,483.3	1,545.3	1,592.1	1,612.9	+1	
Total	3,821.5	4,211.5	4,398.6	4,566.7	4,578.4	0	
<i>Exports</i>							
United States	53.3	79.7	82.0	82.6	73.6	-11	
Bulgaria	58.5	65.0	69.2	74.4	75.3	+1	
United Kingdom	24.4	32.1	36.9	41.9	46.4	+11	
Switzerland	12.1	11.3	12.8	13.8	13.0	+6	
West Germany	16.2	33.4	31.6	36.9	38.2	+4	
Netherlands	13.2	26.0	30.1	30.0	35.6	+19	
Other	42.8	54.3	63.3	80.8	78.3	-3	
Total	220.5	301.8	325.9	360.4	360.4	0	

¹Estimates included in absence of reasonable data. ²Belgium-Luxembourg, Denmark, Greece, Ireland, Netherlands. ³Includes Papyrosy.

Compiled from USDA, FAS, Foreign Agriculture Circular, FT 7-83, July 1983.

Table 29.—Estimated leaf used for cigarettes by kinds of tobacco, 1950-82

Year	Flue-cured	Farm-sales weight			Unstemmed-processing weight				
		Burley	Maryland	Total domestic	Flue-cured	Burley	Maryland	Imported	
<i>Million pounds</i>									
Average									
1950-54	736	421	23	1,180	651	373	22	73	
1955-59	701	417	20	1,138	622	371	19	92	
1960-64	742	455	16	1,213	661	404	16	123	
1965-69	666	477	21	1,164	594	426	21	150	
1970	613	448	27	1,088	548	400	27	163	
1971	596	432	24	1,052	532	386	24	165	
1972	621	460	16	1,097	555	411	16	193	
1973	659	485	14	1,158	588	433	14	196	
1974	625	468	13	1,106	558	418	13	213	
1975	614	471	26	1,111	548	420	25	231	
1976	634	472	22	1,128	566	421	22	237	
1977	588	454	16	1,058	525	405	16	242	
1978	576	459	20	1,055	514	410	19	284	
1979	556	462	22	1,040	494	413	22	348	
1980	537	456	22	1,015	479	407	22	350	
1981 ¹	500	451	20	971	446	403	20	383	
1982 ¹	473	438	28	939	422	391	28	360	
<i>Per 1,000 cigarettes</i>									
<i>Pounds</i>									
Average									
1950-54	1.776	1.016	.057	2.849	1.571	.899	.053	.177	
1955-59	1.570	.936	.045	2.551	1.394	.832	.042	.205	
1960-64	1.396	.854	.030	2.280	1.242	.761	.030	.231	
1965-69	1.174	.840	.037	2.051	1.048	.751	.036	.264	
1970	1.051	.768	.046	1.865	.940	.686	.047	.279	
1971	1.034	.749	.042	1.825	.923	.669	.042	.286	
1972	1.037	.768	.027	1.832	.926	.686	.027	.322	
1973	1.023	.752	.022	1.797	.913	.672	.022	.304	
1974	.984	.737	.020	1.741	.880	.658	.020	.335	
1975	.943	.723	.040	1.706	.842	.645	.038	.355	
1976	.914	.681	.032	1.627	.816	.607	.031	.342	
1977	.883	.682	.024	1.589	.789	.608	.024	.363	
1978	.827	.660	.029	1.516	.739	.589	.027	.408	
1979	.789	.656	.031	1.476	.701	.587	.031	.494	
1980	.752	.639	.031	1.421	.671	.570	.031	.490	
1981 ¹	.679	.612	.027	1.318	.606	.547	.027	.520	
1982 ¹	.681	.631	.040	1.352	.608	.563	.040	.519	
<i>Percent distribution</i>									
<i>Percent</i>									
Average									
1950-54	62.4	35.6	2.0	100.0	58.2	33.3	2.0	6.5	
1955-59	61.6	36.7	1.7	100.0	56.3	33.6	1.7	8.3	
1960-64	61.2	37.5	1.3	100.0	54.9	33.6	1.3	10.2	
1965-69	57.2	41.0	1.8	100.0	49.9	35.8	1.8	12.6	
1970	56.3	41.2	2.5	100.0	48.2	35.1	2.4	14.3	
1971	56.7	41.0	2.3	100.0	48.1	34.8	2.2	14.9	
1972	56.6	41.9	1.5	100.0	47.2	35.0	1.4	16.4	
1973	56.9	41.8	1.2	100.0	47.8	35.2	1.1	15.9	
1974	56.5	42.3	1.2	100.0	46.5	34.8	1.0	17.7	
1975	55.3	42.4	2.3	100.0	44.8	34.3	2.0	18.9	
1976	56.2	41.8	2.0	100.0	45.4	33.8	1.8	19.0	
1977	55.6	42.9	1.5	100.0	44.1	34.2	1.3	20.4	
1978	54.6	43.5	1.9	100.0	42.0	33.4	1.5	23.1	
1979	53.5	44.4	2.1	100.0	38.7	32.3	1.7	27.3	
1980	52.9	44.9	2.2	100.0	38.1	32.3	1.8	27.8	
1981 ¹	51.5	46.4	2.1	100.0	35.6	32.2	1.6	30.6	
1982 ¹	50.4	46.6	3.0	100.0	35.1	32.6	2.3	30.0	

¹Subject to revision.

Table 30.—Expenditures for tobacco products and disposable personal income, 1974-83

Year	Total	Cigarettes	Cigars ¹	Other ²	Disposable personal income	Percent of disposable personal income spent on tobacco products			
						All	Cigarettes	Cigars ¹	Other ²
			<i>Million dollars</i>						<i>Billion dollars</i>
1974	14,475	13,270	705	500	998	1.47	1.35	.07	.05
1975	15,505	14,250	680	575	1,096	1.43	1.32	.06	.05
1976	16,410	15,100	675	625	1,194	1.39	1.28	.06	.05
1977	17,190	15,850	665	675	1,312	1.32	1.22	.05	.05
1978	18,030	16,600	680	750	1,463	1.24	1.14	.05	.05
1979	19,150	17,650	670	830	1,642	1.17	1.08	.04	.05
1980	21,000	19,400	670	930	1,829	1.15	1.06	.04	.05
1981	22,940	21,200	700	1,040	2,048	1.13	1.04	.04	.05
1982 ³	25,310	23,525	685	1,100	2,177	1.16	1.08	.03	.05
1983 ⁴	29,645	27,800	675	1,170	2,315	1.28	1.20	.03	.05

¹Includes small cigars (cigarette-size). ²Smoking tobacco, chewing tobacco, and snuff. ³Subject to revision. ⁴Estimated. Compiled from reports of Department of Commerce, Bureau of Economic Analysis.

Table 31.—Governmental revenues from tobacco products, 1973-83

Year ending June 30	Federal Government				State and local Governments		All Government
	Cigarettes ¹	Cigars ²	Other ³	Total ⁴	State	Local	
<i>Million dollars</i>							
1972-73	2,221	54	2	2,277	3,112	174	5,564
1973-74	2,383	52	2	2,437	3,250	117	5,804
1974-75	2,261	51	3	2,315	3,286	109	5,710
1975-76	2,435	50	3	2,488	3,462	119	6,069
1976-77	2,279	39	4	2,322	3,500	131	5,953
1977-78	2,374	38	4	2,416	3,654	132	6,202
1978-79	2,356	36	5	2,397	3,640	133	6,170
1979-80	2,604	40	4	2,648	3,730	132	6,510
1980-81	2,488	41	4	2,533	3,851	140	6,524
1981-82 ⁴	2,496	36	4	2,536	3,922	154	6,612
1982-83 ⁵	3,350	33	5	3,388	4,105	165	7,658

¹Includes large cigarettes. ²Includes small cigars and revenue on cigars from Puerto Rico covered into the Treasury of Puerto Rico. ³Includes cigarette paper and tubes, and imported cigarettes and cigars. ⁴Subject to revision. ⁵Estimated.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Costs of Producing and Selling Flue-Cured Tobacco: 1981, Preliminary 1982, and Projected 1983

By Verner N. Grise

Agricultural Economist
National Economics Division
Economic Research Service

Abstract: Variable costs per acre for producing and selling flue-cured tobacco are expected to rise 6 percent in 1983. Total costs per acre, excluding land and quota costs, are expected to increase 5 percent, compared with a 7-percent hike in 1982. Much of the 1983 cost increase is because the no-net-cost fund assessment was hiked from 3 to 7 cents a pound. Total costs, excluding land and quota, are estimated to increase 14 percent per pound, because of lower expected yields. Variable costs per pound may jump 15 percent from last year.

Keywords: Flue-cured tobacco, variable costs, total costs.

The major source of data for the cost estimates in this article is a 1979 survey of 1,033 flue-cured tobacco producers in the flue-cured belt. The 1979 data have been updated to obtain national cost estimates for 1981, 1982, and 1983¹. Costs reported here are averaged to represent all flue-cured growers in the United States. Although costs vary widely because of differences in tobacco grown per farm, harvest methods used, management, labor productivity, and a host of other factors, variability of costs is not shown in this article. Approximately 60 separate production systems were budgeted, reflecting cost differences by region, acres of tobacco grown, and various harvest methods. The results were totaled using the relative importance of each system to obtain the average. Harvest system weights were changed for each year to reflect increased use of labor-saving bulk barns and mechanical harvesters.

Budget items are detailed in the stub of the table. Labor costs are included for all labor used. Hired, family, and exchange labor are all charged at prevailing farm wage rates. Machinery and barn ownership costs are based on the current cost of replacing the barn or piece of equipment, and represent the annual contribution needed to maintain a reserve to purchase new equipment or barns when existing ones must be replaced. General farm overhead includes costs for recordkeeping, utilities, and other items that are difficult to allocate to specific enterprises.

Two additional cost components, management and land and quota (license to produce and sell tobacco), are also estimated. The management charge was computed as 10 percent of the variable, machinery and barn ownership, and general farm overhead costs. The charge for land and quota was calculated using the net share-rent approach. Net share-rent is what is left after landlord

payments for fertilizer, chemicals, and other inputs, together with barn ownership costs, are subtracted from the value of the landlord's share of the crop under prevailing share-rent arrangements.

Crop values, used for calculating net share-rent and sales fees, were computed for 1981 and 1982 using the average annual price received by farmers; 1981 and 1982 yields were based on actual yields, and 1983 yields were those indicated as of August 1. The average price for the 1983 crop is not yet known, so a price of \$1.78 per pound is assumed.

Cost Changes, 1981 to 1982

Variable costs per acre increased 6 percent between 1981 and 1982 (table 1). Because yields were a little lower in 1982, variable costs per 100 pounds rose 8 percent. Much of the boost came from contributions added to the no-net-cost fund, and from inspection and grading fees that did not apply the year before.

About 55 percent of variable costs are composed of labor, and curing fuel and electricity. Curing fuel and electricity costs declined 11 percent per acre because of large supplies of curing fuels. Fertilizer and lime costs declined 5 percent. Labor costs rose 5 percent.

Machinery and barn ownership costs rose 8 percent. Material and labor costs for manufacturing these products continued to rise, but at a much slower rate than the year before.

Total costs excluding land and quota increased 7 percent, from \$2,076 to \$2,211 an acre. Land and quota charges based on the net share-rent approach added \$975 an acre to costs in 1982—up from \$897 in 1981.

¹For a more complete discussion of concepts and procedures that underlie flue-cured production costs, see ERS 667, "Flue-Cured Tobacco Production Costs," October 1981.

Cost Changes, 1982 to 1983

Per acre variable costs in 1983 are projected at \$1,637 per acre, 6 percent higher than in 1982 (table 1). A large part of the boost comes from the increase of 4 cents a pound in the contribution to the no-net-cost fund, raising the contribution from 3 to 7 cents. Total costs per acre, excluding land and quota, are expected to be about \$2,330 per acre, up 5 percent. However, total costs per pound are estimated 14 percent higher than in 1982, because yields are expected to be lower. Per acre costs of fertilizer and tractor curing fuel are down, but barn curing fuel costs are up.

Wage rates continue to slowly rise. The Federal minimum wage did not change in 1983. Also, unemployment rates remain high in the general economy, keeping the number of people available for farm employment higher than usual. Farmers continue to use labor-saving bulk barns and mechanical harvesters on a larger share of the acreage and to expand the size of their operations, thereby lowering labor requirements. With the reduction in labor use, labor costs are expected to drop 1 percent an acre below a year ago.

Machinery and barn ownership costs are estimated to be only 2 percent higher than in 1982. The rate of increase has slowed in both labor and material costs of barns and machinery. Also, interest rates have declined, and weak demand for machinery has resulted in price discounts.

Land and quota costs based on the net-share rent approach were valued at \$818 an acre or \$41.73 per 100 pounds. These costs declined 16 percent an acre in 1983 because of lower yields and increased costs of landlord's inputs.

Conclusions

The costs of producing and selling an acre of flue-cured tobacco, excluding land and quota, will likely total about 5 percent higher in 1983, less of an increase than 1982's 7 percent. Key factors in the slower rate are the declines in labor, fertilizer, and tractor fuel costs. The rise would have been only 1 percent per acre without the hike of 4 cents a pound in the no-net-cost fund contribution.

Table 1—Flue-cured tobacco: Production and selling costs per acre and per 100 pounds, by cost items, 1980, preliminary 1982, and projected 1983

Cost Item	Year					
	1981	Cost per acre		1981	Cost per 100 pounds	
	1981	1982	1983	1981	1982	1983
<i>Dollars</i>						
Variable	1,449.89	1,540.40	1,637.46	67.06	72.46	83.59
Labor ¹	564.35	594.27	588.59	26.10	27.95	30.04
Plant bed materials ²	48.14	49.47	50.27	2.23	2.33	2.57
Fertilizer and lime	98.11	93.26	90.61	4.54	4.39	4.63
Pesticides ³	80.50	86.60	91.61	3.72	4.07	4.68
Sucker control	37.12	39.07	40.05	1.72	1.84	2.04
Fuel and lubrication ⁴	76.47	72.50	64.27	3.54	3.41	3.28
Curing fuel and electricity ⁵	289.59	267.58	314.36	13.39	12.59	16.05
Repairs ⁶	63.62	65.08	67.14	2.94	3.06	3.43
Marketing fee	105.95	113.91	104.61	4.90	5.36	5.34
No-net-cost fund ⁷	—	63.78	137.13	—	3.00	7.00
Inspection and grading fee ⁷	—	11.69	10.77	—	.55	.55
Other ⁸	63.64	64.18	63.88	2.94	3.02	3.26
Interest	22.40	19.01	14.17	1.04	0.89	0.72
Machinery and barn ownership	398.35	428.81	438.89	18.42	20.17	22.40
Replacement	194.12	210.04	215.73	8.98	9.88	11.01
Interest	170.87	183.12	185.81	7.90	8.61	9.48
Taxes and insurance	33.36	35.65	37.35	1.54	1.68	1.91
General farm overhead	38.87	40.68	41.39	1.80	1.91	2.11
Management ⁹	188.71	200.99	211.77	8.73	9.45	10.81
Total, excluding land and quota	2,075.80	2,210.88	2,329.51	96.01	103.99	118.91
Land and quota allocation:						
Share-rent ¹⁰	896.69	975.29	817.55	41.47	45.87	41.73
Yield per acre (pounds)	2,162	2,126	1,959	2,162	2,126	1,959

¹Includes operator, family, exchange, and hired labor valued at prevailing hired wage rates. ²Includes plant bed seed, fertilizer, pesticides, and custom fumigation. ³Includes insecticides, herbicides, and fungicides. ⁴Includes tractor and machinery fuel and lubrication. ⁵Includes cost of LP gas, fuel oil, or diesel and electricity used to cure tobacco. ⁶Includes machinery, equipment, and barn repairs. ⁷Not applicable to 1981 crop. ⁸Includes sticks, twine, sheets, cover crop seed, and tobacco crop insurance. ⁹Based on 10 percent of all costs listed above. ¹⁰Based on net share-rent approach.

STATISTICAL SUMMARY

Item	Unit or base period	1982			1983			Last data as percentage of
		July	August	June	July	August		
Average price at auctions								
Flue-cured	Ct. per lb.	151.5	178.0	closed	141.0	166.0	93	
Burley	Ct. per lb.	closed	closed	closed	closed	closed	—	
Maryland	Ct. per lb.	closed	closed	closed	closed	closed	—	
Virginia fire-cured	Ct. per lb.	closed	closed	closed	closed	closed	—	
Ky.-Tenn. fire-cured	Ct. per lb.	closed	closed	closed	closed	closed	—	
Ky.-Tenn. dark air-cured	Ct. per lb.	closed	closed	closed	closed	closed	—	
Virginia sun-cured	Ct. per lb.	closed	closed	closed	closed	closed	—	
Price support level ¹								
Flue-cured	Ct. per lb.	169.9			169.9		100	
Burley	Ct. per lb.	175.1			175.1		100	
Virginia fire-cured	Ct. per lb.	118.8			118.8		100	
Ky.-Tenn. fire-cured	Ct. per lb.	123.0			123.0		100	
Ky. Tenn. dark air-cured	Ct. per lb.	105.7			105.7		100	
Virginia sun-cured	Ct. per lb.	109.4			109.4		100	
Connecticut Valley cigar binder	Ct. per lb.	121.2			121.2		100	
Wis. binder and Ohio filler	Ct. per lb.	90.7			90.7		100	
Puerto Rican filler	Ct. per lb.	90.9			90.9		100	
Parity index ²	1910-14=100	1079	1080	1102	1100	1105	102	
Industrial production index ³	1967=100	138.8	138.4	146.0	148.6	—	107	
Employment	Mil.	99.6	99.7	100.8	101.3	—	102	
Personal income ⁴	Bil. dol.	2589.8	2586.7	2735.6	2751.0	—	106	

		1982			1983			
		June	July	May	June	July		
Taxable removals								
Cigarettes	Bil.	60.6	49.2	47.9	60.4	—	100	
Cigars and cigarillos	Mil.	348.6	268.5	303.4	344.5	—	99	
Accumulated from Jan. 1								
Cigarettes	Bil.	315.7	364.9	241.1	301.5	—	96	
Cigars and cigarillos	Mil.	1836.8	2105.4	1360.7	1705.2	—	93	
Invoiced to domestic customers								
Accumulated from Jan. 1								
Smoking tobacco	Mil. lb.	13.9		13.7			98	
Chewing tobacco ¹⁴	Mil. lb.	44.0		43.3			98	
Snuff ¹⁴	Mil. lb.	21.5		22.4			104	
Tax-exempt removals								
Cigarettes	Bil.	6.3	5.8	5.8	7.4	—	117	
Exports	Bil.	5.8	4.5	4.7	6.1	—	135	
Cigars and cigarillos	Mil.	16.0	7.4	12.1	14.2	—	89	
Accumulated from Jan. 1								
Cigarettes	Bil.	48.8	54.6	28.6	36.0	—	74	
Exports	Bil.	38.8	43.3	24.6	30.7	—	82	
Cigars and cigarillos	Mil.	84.2	91.7	56.0	70.1	—	83	
Invoiced for export								
Accumulated from Jan. 1								
Smoking tobacco	Mil. lb.	—	—	—	—		100	
Chewing tobacco	Mil. lb.	—	—	—	—		—	
Producer price indexes ⁵								
Tobacco products	1967=100	306.7	311.3	353.7	352.2	373.5	120	
Cigarettes (filtertip, king size)	1967=100	311.6	317.8	348.3	N.A.	367.9	116	
Cigars	1967=100	176.3	176.3	180.1	180.1	180.1	102	
Smoking tobacco	1967=100	327.6	331.9	357.4	357.4	357.5	108	
Plug chewing tobacco	1967=100	386.5	393.2	N.A.	N.A.	N.A.	—	
Snuff	1967=100	359.6	359.6	371.1	371.1	371.1	103	
Consumer price indexes (urban)								
Tobacco products	1967=100	237.0	239.2	285.3	285.9	294.6	123	
Cigarettes	1967=100	239.9	242.2	292.5	293.1	302.8	125	
Other tobacco products ⁶	Dec. 1977=100	142.0	142.1	149.6	149.9	150.5	106	
Imports of tobacco (for consumption)								
Cigarette leaf	Mil. lb.	14.3	11.4	16.0	15.1	20.5	180	
Cigar tobacco (leaf and scrap)	Mil. lb.	4.7	2.7	2.9	2.8	2.2	81	
Other tobacco (leaf and scrap)	Mil. lb.	12.5	9.3	1.8	.5	15.8	170	
Accumulated from Jan. 1								
Cigarette leaf	Mil. lb.	92.1	103.6	87.0	102.2	122.7	118	
Cigar tobacco (leaf and scrap)	Mil. lb.	21.9	24.6	17.9	20.7	22.9	93	
Other scrap and tobacco NSPF ⁷	Mil. lb.	50.3	59.6	56.9	70.4	86.2	145	

See footnotes at end of table. —CONTINUED

STATISTICAL SUMMARY—CONTINUED

Item	Unit or base period	1982			1983		Last data as percentage of
		June	July	May	June	July	
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	28.0	21.7	21.7	23.7	23.1	106
Burley	Mil. lb.	15.1	5.9	16.1	15.5	8.9	151
Maryland	Mil. lb.	1.9	1.4	1.0	1.0	2.2	157
Virginia fire- & sun-cured	Mil. lb.	•	•	•	•	•	100
Ky.-Tenn. fire-cured	Mil. lb.	1.7	1.3	1.1	1.2	.8	62
Ky.-Tenn. dark air-cured	Mil. lb.	.2	.1	.1	.1	.1	100
Cigar wrapper	Mil. lb.	.1	•	•	•	•	—
Cigar binder	Mil. lb.	•	•	•	•	•	—
Accumulated from beginning of marketing year⁸							
Flue-cured	Mil. lb.	522.9	—	432.2	455.9	—	87
Burley	Mil. lb.	125.6	131.5	97.6	113.1	121.9	93
Maryland	Mil. lb.	6.2	7.7	5.9	6.9	9.1	118
Virginia fire- & sun-cured	Mil. lb.	1.9	2.0	1.4	1.4	1.4	70
Ky.-Tenn. fire-cured ⁹	Mil. lb.	12.0	13.3	15.9	17.1	17.9	135
Ky.-Tenn. dark air-cured ⁹	Mil. lb.	1.8	1.9	.6	.7	.8	42
Cigar wrapper	Mil. lb.	1.6	—	1.0	1.0	—	63
Cigar binder	Mil. lb.	.1	.1	.1	.1	.1	100
Cigar filler	Mil. lb.	.2	.2	.2	.3	.3	150
Exports of manufactured tobacco in bulk and not elsewhere classified¹⁰							
Accumulated from Jan. 1	Mil. lb.	2.0	2.3	1.7	3.5	2.8	122
	Mil. lb.	9.5	10.8	9.1	12.6	15.3	142
Quarterly data							
		1982		1983			
		April-June	July-Sept.	April-June	July-Sept.		
Stocks of tobacco—1st of quarter (farm-sales weight)¹¹							
Domestic types							
Flue-cured	Mil. lb.	2328	2145	2390	2205	103	
Burley	Mil. lb.	1426	1246	1560	1443	116	
Maryland	Mil. lb.	40	55	46	60	109	
Fire-cured	Mil. lb.	96	83	97	89	107	
Dark air- and sun-cured	Mil. lb.	47	43	53	47	109	
Cigar filler	Mil. lb.	72	67	70	72	107	
Cigar binder	Mil. lb.	72	71	76	74	104	
Cigar wrapper	Mil. lb.	5	2	4	3	150	
Under Government loan ¹²	Mil. lb.	663	575	1,056	1,008	175	
Foreign types							
Cigarette and smoking	Mil. lb.	799	874	902	906	104	
Oriental	Mil. lb.	395	403	408	422	105	
Flue-cured	Mil. lb.	141	200	207	213	107	
Burley	Mil. lb.	263	271	286	271	100	
Cigar	Mil. lb.	93	81	88	88	109	
Tobacco outlets¹³							
Seasonally adjusted data, annual rates, for charts							
Cigarettes	Bil.	670.3	728.0	670.3	700.0	96	
Production	Bil.	613.8	650.8	613.8	625.0	96	
Tax-paid removals	Bil.						
Cigar production							
Large	Bil.	3.30	3.32	3.30	3.15	95	
Small	Bil.	1.42	1.31	1.42	1.30	99	
Smoking production	Mil. lb.	29.3	28.1	29.3	28.3	101	
Chewing production							
Loose leaf	Mil. lb.	76.8	73.4	76.8	74.0	101	
Plug and other ¹⁴	Mil. lb.	(14)	(14)	(14)	(14)	—	
Snuff production ¹⁴	Mil. lb.	(14)	(14)	(14)	(14)	—	
Exports of leaf							
Total	Mil. lb.	712	527	577	495	94	
Flue-cured	Mil. lb.	432	387	303	350	90	

¹1982 and 1983 crops, respectively. ²Prices paid by farmers including interest, taxes and wage rates. ³Seasonally adjusted. ⁴Seasonally adjusted, annual rate. ⁵Federal and applicable state and local taxes included. ⁶Includes tobacco accessories. ⁷Farm-sales weight equivalent. ⁸July 1 for flue-cured and cigar wrapper and October 1 for others. ⁹Includes Black Fat. ¹⁰Smoking tobacco in bulk through December 1977. Beginning January 1978 blended strips no longer included. ¹¹Holdings of manufacturers and dealers, including grower cooperatives. ¹²Reported by grower cooperatives. ¹³Latest quarter is estimated. *Less than 50,000 pounds. **Estimated. Detail may not add due to rounding. ¹⁴New product classification. Data comparable to earlier years not available

FIRST CLASS



OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

To stop mailing or to change your address
send this sheet with label intact, showing new
address, to EMS Information, Rm. 440-GHI,
USDA, Washington, D.C. 20250.

2,844 1A
ERS Ref
ERS USDA
#147 GHI Bldg
Washington DC 20250

LIST OF TABLES

	Page
1. Cigarettes: U.S. output, removals, and consumption, 1973-83	2
2. Consumption per capita of tobacco products, 1974-83	2
3. U.S. cigarette exports to leading destinations, 1982-83	3
4. Tobacco demand factors, 1973-83	3
5. Wholesale cigarette price revisions, 1977-83	4
6. Cigars and smoking tobacco: Output, removals, and consumption, 1980-83	4
7. Tobacco products: Output by category, 1974-83	5
8. Tobacco exports by types and countries, 1980-83	6
9. U.S. imports of unmanufactured tobacco for consumption and general, 1982-83	7
10. Imported cigarette tobacco stocks, by quarters, 1974-83	8
11. U.S. imports of unmanufactured tobacco: Quantity and average value, by kinds, 1982-83	9
12. All tobacco: Acreage, yield, and production, United States, 1965-83	9
13. U.S. tobacco allotments, by kinds of tobacco, 1983	10
14. Flue-cured tobacco auction markets: Gross sales, average price, loan receipts, sales dates, 1982-83	11
15. Flue-cured and burley tobacco: Marketing quota and marketings, 1973-83	12
16. Flue-cured and burley: U.S. supplies, disappearance, prices, 1973-83	13
17. U.S. exports of unmanufactured tobacco by types to principal countries, crop years 1980/81 - 1982/83	14
18. U.S. flue-cured tobacco exports: Percentage stemmed form of total, 1975-83	15
19. Lease and transfer of allotments and quotas, 1974-83	15
20. Burley marketing quota, Kentucky, Tennessee, other States, 1981-83	15
21. Burley tobacco: Percentage of selected groups, quality, and color categories of total, 1973-82	16
22. Tobacco loan stocks, 1981-83	16
23. Southern Maryland tobacco: U.S. supplies, disappearance, prices, 1974-83	17
24. Fire-cured tobacco: U.S. supplies, disappearance, prices, 1974-83	18
25. Dark air-cured tobacco: U.S. supplies, disappearance, prices, 1974-83	19
26. Cigar tobacco: U.S. supplies, disappearance, prices, 1974-83	20
27. Cigar leaf tobacco price support operations, 1979-83	23
28. World cigarette output and trade, 1973-82	23
29. Estimated leaf used for cigarettes by kinds of tobacco, 1950-82	24
30. Expenditures for tobacco products and disposable income, 1974-83	25
31. Governmental revenues from tobacco products, 1973-83	25
Statistical Summary	28